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<b>State:</b>	Arkansas	<b>Filing Company:</b>	Cameron Mutual Insurance Company
<b>TOI/Sub-TOI:</b>	04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations		
<b>Product Name:</b>	Homeowners		
<b>Project Name/Number:</b>	/		

## Filing at a Glance

Company:	Cameron Mutual Insurance Company
Product Name:	Homeowners
State:	Arkansas
TOI:	04.0 Homeowners
Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Filing Type:	Rate/Rule
Date Submitted:	06/30/2014
SERFF Tr Num:	CMIC-129603818
SERFF Status:	Closed-Filed
State Tr Num:	
State Status:	
Co Tr Num:	CMIC-129603818
Effective Date	10/01/2014
Requested (New):	
Effective Date	10/01/2014
Requested (Renewal):	
Author(s):	Barry Korthanke
Reviewer(s):	Becky Harrington (primary)
Disposition Date:	07/02/2014
Disposition Status:	Filed
Effective Date (New):	10/01/2014
Effective Date (Renewal):	10/01/2014

State Filing Description:

**State:** Arkansas  
**TOI/Sub-TOI:** 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations  
**Product Name:** Homeowners  
**Project Name/Number:** /

**Filing Company:** Cameron Mutual Insurance Company

## General Information

Project Name: Status of Filing in Domicile: Pending  
Project Number: Domicile Status Comments:  
Reference Organization: Reference Number:  
Reference Title: Advisory Org. Circular:  
Filing Status Changed: 07/02/2014  
State Status Changed: Deemer Date:  
Created By: Barry Korthanke Submitted By: Barry Korthanke  
Corresponding Filing Tracking Number:

### Filing Description:

Cameron Mutual Insurance Company is upgrading to a newer edition of the ISO forms portfolio for our Homeowners program (filing under a separate cover) as we move to a new computer policy platform. As such we are filing all new general rules, computation procedures, and rate pages for our underwriting manual to accommodate the forms and systems changes being made. Additionally our Homeowners Placement Summary has been updated to include the forms changes being made. The only rate being modified is the HO0004 rate being decreased by 10% in all territories. All other rates remain unchanged.

## Company and Contact

### Filing Contact Information

Barry Korthanke, Actuarial Analyst II bkorthanke@cameron-insurance.com  
214 McElwain Drive 800-326-6511 [Phone] 221 [Ext]  
Cameron, IA 64429-1321 806-632-1022 [FAX]

### Filing Company Information

Cameron Mutual Insurance CoCode: 15725 State of Domicile: Missouri  
Company Group Code: 532 Company Type: Property &  
214 McElwain Drive Group Name: Casualty  
Cameron, MO 64429-1321 FEIN Number: 44-0447850 State ID Number:  
(800) 326-6511 ext. [Phone]

## Filing Fees

Fee Required? Yes  
Fee Amount: \$100.00  
Retaliatory? No  
Fee Explanation: Rate/Rule filing fees are \$100.  
Per Company: No

Company	Amount	Date Processed	Transaction #
Cameron Mutual Insurance Company	\$100.00	06/30/2014	83597213

<b>SERFF Tracking #:</b>	CMIC-129603818	<b>State Tracking #:</b>		<b>Company Tracking #:</b>	CMIC-129603818
<b>State:</b>	Arkansas	<b>Filing Company:</b>	Cameron Mutual Insurance Company		
<b>TOI/Sub-TOI:</b>	04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations				
<b>Product Name:</b>	Homeowners				
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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	07/02/2014	07/02/2014

<b>State:</b>	Arkansas	<b>Filing Company:</b>	Cameron Mutual Insurance Company
<b>TOI/Sub-TOI:</b>	04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations		
<b>Product Name:</b>	Homeowners		
<b>Project Name/Number:</b>	/		

## Disposition

Disposition Date: 07/02/2014  
Effective Date (New): 10/01/2014  
Effective Date (Renewal): 10/01/2014  
Status: Filed

Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Cameron Mutual Insurance Company	0.900%	-0.147%	\$2,818	106	\$1,823,092	0.000%	-11.000%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Form RF-2 Loss Costs Only (not for workers' compensation)		Yes
Supporting Document	H-1 Homeowners Abstract	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document	Indicated Needs	Filed	Yes
Rate	Computation Procedures	Filed	Yes
Rate	Underwriting Rules	Filed	Yes
Rate	Index replace	Filed	Yes
Rate	General Rules replace	Filed	Yes
Rate	H - Exception Pages	Filed	Yes
Rate	PH - General Rules Exceptions	Filed	Yes
Rate	HS - General Rules Exceptions	Filed	Yes
Rate	MH - General Rules Exceptions	Filed	Yes
Rate	Rate Pages Replaced	Filed	Yes
Rate	MH - Rate Page	Filed	Yes

<b>State:</b>	Arkansas	<b>Filing Company:</b>	Cameron Mutual Insurance Company
<b>TOI/Sub-TOI:</b>	04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations		
<b>Product Name:</b>	Homeowners		
<b>Project Name/Number:</b>	/		

## Rate Information

Rate data applies to filing.

<b>Filing Method:</b>	file and use
<b>Rate Change Type:</b>	Decrease
<b>Overall Percentage of Last Rate Revision:</b>	2.500%
<b>Effective Date of Last Rate Revision:</b>	10/01/2013
<b>Filing Method of Last Filing:</b>	file and use

## Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Cameron Mutual Insurance Company	0.900%	-0.147%	\$2,818	106	\$1,823,092	0.000%	-11.000%

SERFF Tracking #:

CMIC-129603818

State Tracking #:

Company Tracking #:

CMIC-129603818

State: Arkansas

Filing Company:

Cameron Mutual Insurance Company

TOI/Sub-TOI: 04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: /

## Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1	Filed 07/02/2014	Computation Procedures	HO-CP-1 through HO-CP-24	New		Computation Procedures - HO-CP-1 thru HO-CP-24.pdf
2	Filed 07/02/2014	Underwriting Rules	HO-UR-6	Replacement		CMIC HO AR & MO Underwriting Rules HO-UR-6.pdf
3	Filed 07/02/2014	Index replace	HO-INDEX-1 through HO-INDEX-8	Replacement		CMIC HO AR & MO Table of Contents & Index HO-INDEX-1 thru HO-INDEX-8.pdf
4	Filed 07/02/2014	General Rules replace	HO-GR-1 through HO-GR-24	Replacement		CMIC HO AR & MO General Rules HO-GR-1 thru HO-GR-24.pdf
5	Filed 07/02/2014	H - Exception Pages	HO-AR-EX-1, HO-AR-EX-2	Replacement		CMIC HO AR Exception Pages HO-AR-EX-1 & HO-AR-EX-2.pdf
6	Filed 07/02/2014	PH - General Rules Exceptions	PH-GR-EX-1 through PH-GR-EX-3	Replacement		CMIC PH AR & MO General Rules PH-GR-EX-1 thru PH-GR-EX-3.pdf
7	Filed 07/02/2014	HS - General Rules Exceptions	HS-GR-EX-1, HS-GR-EX-2	Replacement		CMIC HS AR & MO General Rules HS-GR-EX-1.pdf
8	Filed 07/02/2014	MH - General Rules Exceptions	MH-GR-EX-1 through MH-GR-EX-4	Replacement		CMIC MH AR & MO General Rules MH-GR-EX-1 thru MH-GR-EX-3.pdf
9	Filed 07/02/2014	Rate Pages Replaced	HO-AR-1 through HO-AR-10, PH-AR-1.1 through PH-AR-1.3, HS-AR-1.1 through HS-AR-1.3, MH-AR-1.1	Replacement		CMIC HO AR Rate Pages HO-AR-1 thru HO-AR-8.pdf
10	Filed 07/02/2014	MH - Rate Page	MH-R-1	Replacement		CMIC MH AR & MO Rates MH-R-1.pdf

# Homeowners

## Premium Computation Procedures

### A. Term Adjustment Factor Calculation

1. Divide the number of days that have elapsed in the policy by the number of days in the policy term.
  - A. Round to three decimals.
2. Subtract Step 1.A. from 1.0.
  - A. This is the Term Adjustment Factor.

### B. Base Premium Calculation

1. Determine the Territory Number using the Territorial Definitions in the State Exception Pages.
2. Locate the Territorial Base Rate by Form from Figure 1. in the State Rate Pages.
3. Multiply by the applicable Protection Class/Construction Factor from Figure 2. in the State Rate Pages.
  - A. Round to the nearest Dollar.
4. Multiply by the applicable Amount of Insurance Factor. See Figure 4.A., or 4.B., in the State Rate Pages.
  - A. Round to the nearest Dollar.
  - B. You may need to calculate the AOI factor if it is not listed within the Figure 4.A. or 4.B. of the State Rate Pages. Calculation procedure:
    - i. Determine the AOI Amount and Factor for each the high and low values that the requested limit of insurance falls between from Figure 4.A. or 4.B. in the State Rate Pages.
    - ii. Take the Requested Coverage Amount minus the AOI Amount Low.
    - iii. Divide by 1,000.
      1. Store this number.
    - iv. Take the AOI Factor High minus the AOI Factor Low.
      1. Store this number.
    - v. Multiply Step B.iii.1. and Step B.iv.
      1. Store this number.
    - vi. AOI Amount High minus the AOI Amount Low.
    - vii. Divide by 1,000.
      1. Store this number.
    - viii. Divide Step B.v.1. by Step B.vii.1.
      1. Round to four decimals.
    - ix. Add the AOI Factor Low.
  - C. If the requested amount of coverage exceeds the max limit listed, determine the AOI factor by:
    - i. Subtract the max limit coverage amount listed from the requested amount.
      1. Round to the nearest 100.
    - ii. Divide the difference by 1,000.
    - iii. Multiply by the Each Additional 1,000 factor.
      1. Round to the nearest three decimals.
    - iv. Add the product to the Max Limit Factor.
      1. Round to the nearest three decimals.
5. Is this a Cameron Mutual or Cameron National Home Security?
  - A. Yes – This is the **Base Rate**. Skip to Step 14.

- B.** No – Skip to Step 6.
- 6.** Is this is a Cameron Mutual or Cameron National Standard, Preferred, Renter, or Condo?
  - A.** Yes – This is the **Base Rate**. Skip to Step 9. for Standard or Preferred. Skip to Step 14. for Renter or Condo.
  - B.** No – Skip to Step 7.
- 7.** If applicable, multiply by the MH **04 02** ACV Factor. See Rule 801. of the Mobile Home General Rules Exception Pages.
  - A.** Round to the nearest Dollar.
- 8.** Is the Mobile Home occupancy seasonal?
  - A.** Yes – Multiply by the Seasonal Occupancy Factor listed in Rule 802. of the Mobile Home General Rules Exception Pages.
    - i.** Round to the nearest Dollar. This is the **Base Rate** Skip to Step 15.
  - B.** No – This is the **Base Rate**. Skip to Step 15.
- 9.** Subtract the Construction Year of the Dwelling from the Current Year.
  - A.** Age of Dwelling less than or equal to 8 – Multiply the Base Rate by the New Home Discount Factor in Rule 110.A. of the General Rules.
    - i.** Round to the nearest Dollar.
    - ii.** Subtract this number from the Base Rate.
    - iii.** Skip to Step 13.
  - B.** Age of Dwelling greater than 8 – Skip to Step 10.
- 10.** Is there Wiring Renovation?
  - A.** Yes – Subtract the Wiring Renovation Year from the Current Year.
    - i.** Age of Wiring less than or equal to 4 – Multiply the Base Rate by the applicable Wiring Renovation Factor in Rule 110.B. of the General Rules.
    - ii.** Round to the nearest Dollar.
    - iii.** Store this number and go to Step 11.
    - iv.** Age of Wiring greater than 4 – Go to Step 11.
  - B.** No – Go to Step 11.
- 11.** Is there Heating Renovation?
  - A.** Yes – Subtract the Heating Renovation Year from the Current Year.
    - i.** Age of Heating less than or equal to 4 – Multiply the Base Rate by the applicable Heating Renovation Factor in Rule 110.B. of the General Rules.
    - ii.** Round to the nearest Dollar.
    - iii.** Store this number and go to Step 12.
    - iv.** Age of Heating greater than 4 – Go to Step 13.
  - B.** No – Go to Step 13.
- 12.** Subtract the numbers stored from Step 10. and Step 11. from the Base Rate.
- 13.** If applicable, multiply by the Superior Construction Factor in Rule 401. of the General Rules.
  - A.** Round to the nearest Dollar.
- 14.** If applicable, multiply by the Townhouse/Row House Factor from Rule 402. of the General Rules.
  - A.** Round to the nearest Dollar.
- 15.** If applicable, multiply by the Companion Policy Discount Factor in Rule 307. of the General Rules.
  - A.** Round to the nearest Dollar.
- 16.** Multiply by the applicable Risk Index Factor found in Rule 308. of the State Exception Pages.
  - A.** Round to the nearest Dollar.



17. If applicable, multiply by the Term Adjustment Factor calculated in Section A. of the Computation Procedures.

A. Round to the nearest Dollar.

18. This is the **Base Premium**.

### C. Basic Premium Calculation

1. Begin with the calculated **Base Premium**.

2. If applicable, add the Coverage A Increased Limits Premium.

A. Is this a Condo Policy?

i. Yes:

1. Is the requested Coverage A Limit greater than \$5,000?

a. Yes:

i. Subtract 5,000 from the requested Coverage A Limit.

ii. Divide by 1,000.

1. Round to the nearest Dollar.

iii. Multiply by the applicable Each Additional 1,000 factor. See Figure 4.A. in the State Rate Pages.

1. Round to three decimal places.

iv. Multiply by the Territorial Base Rate by Form from Figure 1. in the State Rate Pages.

v. Multiply by the applicable Protection Class/Construction Factor from Figure 2. in the State Rate Pages.

1. Round to three decimals.

vi. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.

1. Round to three decimals.

vii. Multiply by the Term Adjustment Factor calculated in Section A.

1. Round to the nearest Dollar.

b. No – Skip to Step 3.

ii. No – Skip to Step 3.

3. If applicable, add the Coverage C Increased Limits Premium or subtract the Coverage C Reduced Limits Premium using the calculation procedures below.

A. In the State Rate Pages, see Rule 515.A. for the increased limit rate or 515.D. for the reduced limit rates.

B. Increased Limits:

i. Subtract the default limit from the requested limit.

ii. Divide by the Rate Per Amount from Rule 515.A. of the State Rate Pages.

1. Round to the nearest Dollar.

iii. Multiply by the Rate Per Limit Rate from Rule 515.A. of the State Rate Pages.

1. Round to the nearest Dollar.

iv. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.

1. Round to the nearest Dollar.

v. Multiply by the Term Adjustment Factor calculated in Section A.

1. Round to the nearest Dollar.

C. Reduced Limits:

- i. Subtract the requested limit from the default limit.
  - ii. Divide by the Rate Per Amount in Rule 515.D. of the State Rate Pages.
  - iii. Multiply by the Rate Per Limit in Rule 515.D. of the State Rate Pages.
    - 1. Round to the nearest Dollar.
  - iv. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - 1. Round to the nearest Dollar.
  - v. Multiply by the Term Adjustment Factor calculated in Section A.
    - 1. Round to the nearest Dollar.
- 4. If applicable, add the Coverage **D** Increased Limits Premium. Calculation procedure:
  - A. See Rule 512. in the State Rate Pages for the Rate Per 1,000.
  - B. Subtract the default limit from the requested limit.
  - C. Divide by the Coverage **D** Increase Per Limit Amount shown in Rule 512.
    - i. Round to three decimals.
  - D. Multiply by the Coverage **D** Increased Per Limit Rate Rule 512.
    - i. Round to the nearest Dollar.
  - E. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - i. Round to the nearest Dollar.
  - F. Multiply by the Term Adjustment Factor calculated in Section A.
    - i. Round to the nearest Dollar.
- 5. If applicable, add the Coverage **E** Increased Limits Premium. Calculation procedure:
  - A. Locate the Coverage **E** Increased Limits Rate in Rule 601.A. of the State Rate Pages.
  - B. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - i. Round to the nearest Dollar.
  - C. Multiply by the Term Adjustment Factor calculated in Section A.
    - 1. Round to the nearest Dollar.
- 6. If applicable, add the Coverage **F** Increased Limits Premium. Calculation procedure:
  - A. Locate the Coverage **F** Increased Limits Rate in Rule 601.B. of the State Rate Pages.
  - B. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - i. Round to the nearest Dollar.
  - C. Multiply by the Term Adjustment Factor calculated in Section A.
    - 1. Round to the nearest Dollar.
- 7. If applicable, add the Increased Fire Service Charge Premium. Calculation procedure:
  - A. Locate the Increased Fire Limits Service Charge Premium. See Rule 506. of the State Rate Pages.
  - B. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - i. Round to the nearest Dollar.
  - C. Multiply by the Term Adjustment Factor calculated in Section A.
    - 1. Round to the nearest Dollar.
- 8. Calculate and add the charge for Residence Employees in excess of 2. Calculation procedure:
  - A. See the Rate Per Employee in Excess of 2 listed in Rule 603. of the State Rate Pages.
  - B. Multiply by the applicable Increased Liability Limits Factor. See Figure 3. of the State Rate Pages.

- i. Round to three decimals.
  - C. Add the applicable Medical Payments Premium for Residence Employees. See Rule 603.B. of the State Rate Pages.
    - i. Round to three decimals.
  - D. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - i. Round to three decimals.
  - E. Multiply by the Term Adjustment Factor calculated in Section A.
    - i. Round to the nearest Dollar.
  - F. Multiply by the number of full time employees in excess of 2.
    - i. Round to the nearest Dollar.
- 9. If needed, calculate and add the charges for Additional Locations Occupied by an Insured.  
Calculation procedure:
  - A. Locate the rate for Coverage E – Other Insured Locations within the State Rate Pages. See Rule 602.A. within the State Rate Pages.
  - B. Multiply by the applicable Increased Liability Limits Factor listed within the Figure 3. of the State Rate Pages.
    - i. Round to three decimals.
  - C. Add the Premium for the applicable Coverage F – Other Insured Locations limit from Rule 602.B. of the State Rate Pages.
    - i. Round to three decimals
  - D. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - i. Round to three decimals.
  - E. Multiply by the Term Adjustment Factor calculated in Section A.
    - i. Round to the nearest Dollar.
  - F. Multiply by the number of additional locations.
    - i. Round to the nearest Dollar.
- 10. If the dwelling is secondary, calculate and subtract the credit for the Secondary Residence Premises.  
Calculation procedure:
  - A. Locate the credit amount for Secondary Residence Premises from Rule 105. of the State Rate Pages.
  - B. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - i. Round to the nearest Dollar.
  - C. Multiply by the Term Adjustment Factor calculated in Section A.
    - i. Round to the nearest Dollar.
- 11. If applicable, add the charge for Wood Heat. See Rule 306. of the General Rules.
- 12. Calculate the Deductible Charge. See Rule 406. of the General Rules. Calculation procedure:
  - A. Multiply the Base Premium by the Deductible Factor.
    - i. Round to the nearest Dollar.
  - B. Subtract the Base Premium from the calculated number.
    - i. Note: This could result in a negative number.
  - C. Add the difference to the Base Premium.
- 13. This is the **Basic Premium**

## **D. Total Endorsement Premium Calculation**

- 1.** Begin with the calculated **Basic Premium**
- 2.** Add the premium for **F-070** Builder's Risk Theft.
  - a.** For calculation procedures, see Calculation F.1.
- 3.** Add the premium for **HO 04 14** Special Computer Coverage.
  - a.** For calculation procedures, see Calculation F.2.
- 4.** Add the premium for **HO 04 16** Premises Alarm or Fire Protection System.
  - a.** For calculation procedures, see Calculation F.3.
- 5.** Add the premium for **HO 04 53** Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money Coverage Increased Limit.
  - a.** For calculation procedures, see Calculation F.4.
- 6.** Add the premium for **HO 04 95C** Limited Water Back-Up and Sump Discharge or Overflow Coverage.
  - a.** For calculation procedures, see Calculation F.5.
- 7.** Add the premium for **HO 04 98** Refrigerated Property Coverage.
  - a.** For calculation procedures, see Calculation F.6.
- 8.** Add the premium for **HO 05 28C** Owned Motorized Golf Cart Physical Loss Coverage.
  - a.** For calculation procedures, see Calculation F.7.
- 9.** Add the premium for **HO 17 32C** Unit-Owners Coverage A – Special Coverage.
  - a.** For calculation procedures, see Calculation F.8.
- 10.** Add the premium for **HO-210C** Preferred Plus Endorsement.
  - a.** For calculation procedures, see Calculation F.9.
- 11.** Add the premium for **HO-220C** Hobby Farm Endorsement.
  - a.** For calculation procedures, see Calculation F.10.
- 12.** Add the premium for **HO 24 13** Incidental Low Power Recreational Motor Vehicle Liability Coverage Endorsement.
  - a.** For calculation procedures, see Calculation F.11.
- 13.** Add the premium for **HO 24 43** Permitted Incidental Occupancies – Other Residence.
  - a.** For calculation procedures, see Calculation F.12.
- 14.** Add the premium for **HO 24 64** Owned Snowmobile.
  - a.** For calculation procedures, see Calculation F.13.
- 15.** Add the premium for **HO 24 70** Additional Residence Rented to Others.
  - a.** For calculation procedures, see Calculation F.14.
- 16.** Add the premium for **HO 24 72** Incidental Farming Personal Liability.
  - a.** For calculation procedures, see Calculation F.15.
- 17.** Add the premium for **HO 24 82** Personal Injury.
  - a.** For calculation procedures, see Calculation F.16.
- 18.** Add the premium for **HO 04 61** Scheduled Personal Property Endorsement.
  - a.** For calculation procedures, see Calculation F.17.
- 19.** Add the premium for **HO 04 48** Other Structures on the Residence Premises Increased Limits.
  - a.** For calculation procedures, see Calculation F.18.
- 20.** Add the premium for **HO 04 40** Structures Rented to Others – Residence Premises.
  - a.** For calculation procedures, see Calculation F.19.
- 21.** Add the premium for **HO 04 65** Coverage **C** Increased Special Limits of Liability.
  - a.** For calculation procedures, see Calculation F.20.

22. Add the premium for HO **24 71** Business Pursuits.
  - a. For calculation procedures, see Calculation F.21.
23. Add the premium for HO **04 90** Personal Property Replacement Cost Loss Settlement.
  - a. For calculation procedures, see Calculation F.22.
24. Add the premium for HO **04 59** Assisted Living Care Coverage.
  - a. For calculation procedures, see Calculation F.23.
25. Add the premium for HO **04 20C** Specified Additional Amount of Insurance for Coverage A – Dwelling.
  - a. For calculation procedures, see Calculation F.24.
26. Add the premium for HO **23 47C** Excess Dwelling Coverage – Arkansas (Specified Additional Amount of Insurance for Coverage A – Dwelling)
  - a. For calculation procedures, see Calculation F.25.
27. Add the premium for HO **04 35** Supplemental Loss Assessment Coverage Endorsement.
  - a. For calculation procedures, see Calculation F.26.
28. Add the premium for HO **04 92C** Specific Structures On or Away From Residence Premises.
  - a. For calculation procedures, see Calculation F.27.
29. Add the premium for HO **04 58** Other Members of Your Household.
  - a. For calculation procedures, see Calculation F.28.
30. Add the premium for HO **04 51** Building Additions and Alterations Increased Limits.
  - a. For calculation procedures, see Calculation F.29.
31. Add the premium for HO **24 75** Watercraft.
  - a. For calculation procedures, see Calculation F.30.
32. Add the premium for HO **04 12** Increased Limits on Business Property.
  - a. For calculation procedures, see Calculation F.31.
33. Add the premium for HO **04 42** - Permitted Incidental Occupancies - Residence Premises.
  - a. For calculation procedures, see Calculation F.32.
34. Add the premium for MH **04 06** - Property Removed - Increased Limits.
  - a. For calculation procedures, see Calculation F.33.
35. Add the premium for HO **04 50C** Amount of Insurance for Personal Property at Other Residences.
  - a. For calculation procedures, see Calculation F.34.
36. Add the premium for HO **06 14C** Amount of Insurance for Personal Property Located in a Self-storage Facility.
  - a. For calculation procedures, see Calculation F.35.
37. Add the premium for HO **04 91** Coverage **B** - Other Structures Away From the Residence Premises.
  - a. For calculation procedures, see Calculation F.36.
38. Add the premium for HO **24 26** Personal Injury Coverage – Arkansas.
  - a. For calculation procedures, see Calculation F.37.
39. This is the **Total Endorsement Premium**.

## **E. Total Premium Calculation**

1. Begin with the calculated **Basic Premium**.
2. Add the **Total Endorsement Premium**.
3. Is the sum greater than the Minimum Premium listed in Rule 205. of the State Rate Pages?
  - A.** Yes – This is the **Total Premium**.
  - B.** No – The Minimum Premium is the **Total Premium**.

## F. Endorsement Premium Calculations

### 1. F-070 Builder's Risk Theft

- A. Divide the requested limit by 1,000.
  - i. Round to one decimal place.
- B. Multiply by the Rate Per Limit. See Rule 531. of the State Rate Pages.
  - i. Round to three decimal places.
- C. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i. Round to the nearest Dollar.
- D. Multiply by the Term Adjustment Factor calculated in Section A.
  - i. Round to the nearest Dollar.

### 2. HO 04 14 Special Computer Coverage

- A. See Rule 519. of the State Rate Pages for the Charge Per Policy.
- B. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i. Round to the nearest Dollar.
- C. Multiply by the Term Adjustment Factor calculated in Section A.
  - i. Round to the nearest Dollar.

### 3. HO 04 16 Premises Alarm or Fire Protection System

- A. Beginning with **Base Premium**.
- B. Is there a Central Station Burglar Alarm?
  - i. Yes – Multiply by the Central Station Burglar Alarm Factor shown in Rule 404. of the General Rules.
    - 1. Round to three decimals.
    - 2. Skip to Step E.
  - ii. No – Skip to Step C.
- C. Is there a Police Station Burglar Alarm?
  - i. Yes – Multiply by the Police Station Burglar Alarm Factor shown in Rule 404. of the General Rules.
    - 1. Round to three decimals.
    - 2. Skip to Step E.
  - ii. No – Skip to Step D.
- D. Is there a Local Burglar Alarm?
  - i. Yes – Multiply by the Local Burglar Alarm Factor shown in Rule 404. of the General Rules.
    - 1. Round to three decimals.
    - 2. Skip to Step E.
  - ii. No – Skip to Step E.
- E. Is there a Central Station Fire Alarm?
  - i. Yes – Multiply by the Central Station Fire Alarm Factor shown in Rule 404. of the General Rules.
    - 1. Round to three decimals.
    - 2. Skip to Step to H.

- ii. No – Skip to Step F.
  - F.** Is there are Fire Department Reporting Alarm?
    - i. Yes – Multiply by the Fire Department Reporting Alarm Factor shown in Rule 404. of the General Rules.
      - 1. Round to three decimals.
      - 2. Skip to Step H.
    - ii. No – Skip to Step G.
  - G.** Is there a Local Fire Alarm?
    - i. Yes – Multiply by the Local Fire Alarm Factor shown in Rule 404. of the General Rules.
      - 1. Round to three decimals.
      - 2. Skip to Step H.
    - ii. No – Skip to Step H.
  - H.** If this is a Cameron Mutual or Cameron National Preferred Homeowners, skip to Step J.
  - I.** Are there smoke detectors?
    - i. Yes – Multiply by the Smoke Detector Factor shown in Rule 404. of the General Rules.
      - 1. Round to three decimals.
      - 2. Skip to Step J.
    - ii. No – Skip to Step J.
  - J.** Subtract the Base Premium from the calculated number.
    - i. Round to the nearest Dollar.
      - 1. Note: this will result in a negative number.
- 4. HO 04 53 Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money Coverage Increased Limit**
- A.** Is this a Cameron Mutual or Cameron National Preferred Homeowners?
    - i. Yes – Locate the rate based upon the requested limit shown in Rule 504. of the Preferred General Rules Exception Pages.
      - 1. Skip to Step C.
    - ii. No – Skip to Step B.
  - B.** Locate the rate based upon the requested limit shown in Rule 504. of the State Rate Pages.
  - C.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - i. Round to the nearest Dollar.
  - D.** Multiply by the Term Adjustment Factor calculated in Section A.
    - i. Round to the nearest Dollar.
- 5. HO 04 95C Limited Water Back-Up and Sump Discharge or Overflow Coverage**
- A.** Charge the rate listed in Rule 521. of the State Rate Pages.
  - B.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - i. Round to the nearest Dollar.
  - C.** Multiply by the Term Adjustment Factor calculated in Section A.
    - i. Round to the nearest Dollar.
- 6. HO 04 98 Refrigerated Property Coverage**
- A.** Charge the rate shown in Rule 515. of the State Rate Pages.

- B.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - i.** Round to the nearest Dollar.
  - C.** Multiply by the Term Adjustment Factor calculated in Section **A.**
    - i.** Round to the nearest Dollar.
- 7. HO 05 28C Owned Motorized Golf Cart Physical Loss Coverage**
  - A.** Locate the Charge Per Golf Cart in Rule 525. of the State Rate Pages.
    - i.** Multiply by the number of golf carts.
  - B.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - i.** Round to the nearest Dollar.
  - C.** Multiply by the Term Adjustment Factor calculated in Section **A.**
    - i.** Round to the nearest Dollar.
- 8. HO 17 32C Unit-Owners Coverage A – Special Coverage**
  - A.** Locate the Rate Per Policy from Rule 507.C.1 of the State Rate Pages.
  - B.** Is the requested limit greater than 5,000?
    - i.** Yes – Subtract 5,000 from the requested limit.
      - 1.** Divide by 1,000.
        - a.** Round to 3 decimals.
      - 2.** Multiply by the Rate Per Each Additional 1,000 shown in Rule 507.C.2.
        - a.** Round to the nearest Dollar.
      - 3.** Add the Rate Per Policy.
        - a.** Round to the nearest Dollar.
      - 4.** Skip to Step C.
    - ii.** No – Charge the Rate Per Policy. Skip to Step C.
  - C.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - i.** Round to three decimals.
  - D.** Multiply by the Term Adjustment Factor calculated in Section **A.**
    - i.** Round to the nearest Dollar.
- 9. HO-210C Preferred Plus Endorsement**
  - A.** Charge the Rate Per Policy listed on page PH-GR-EX-3 of the Preferred General Rules Exception Pages.
  - B.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - i.** Round to the nearest Dollar.
  - C.** Multiply by the Term Adjustment Factor calculated in Section **A.**
    - i.** Round to the nearest Dollar.
- 10. HO-220C Hobby Farm Endorsement**
  - A.** Charge the Charge Per Policy listed in Rule 532. of the State Rate Pages.
  - B.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.





- D.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i.** Round to three decimals.
- E.** Multiply by the Term Adjustment Factor calculated in Section **A.**
  - i.** Round to the nearest Dollar.
- F.** Multiply by the number of Snowmobiles.
  - i.** Round to the nearest Dollar.

**14. HO 24 70 Additional Residence Rented to Others**

- A.** For each location:
  - i.** Locate the applicable rate for Additional Residence Rented to Others shown in Rule 604.A. of the State Rate Pages.
  - ii.** Multiply by the applicable Increased Liability Limits Factor shown in Figure 3. of the State Rate Pages.
    - 1.** Round to three decimals.
  - iii.** Add the applicable Medical Payments Premium from Rule 604.B. of the State Rate Pages.
    - 1.** Round to three decimals.
  - iv.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - 1.** Round to three decimals.
  - v.** Multiply by the Term Adjustment Factor calculated in Section **A.**
    - 1.** Round to the nearest Dollar.
  - vi.** Multiply by the number of Additional Residences
    - 1.** Round to the nearest Dollar.
  - vii.** Store this number.
- B.** Sum the premium of each location from Step A.

**15. HO 24 72 Incidental Farming Personal Liability**

- A.** Locate the applicable rate per policy shown in Rule 615.A. of the State Rate Pages.
- B.** Multiply by the applicable Increased Liability Limits Factor shown in Figure 3. of the State Rate Pages.
  - i.** Round to three decimals.
- C.** Add the Medical Payments Premium from Rule 615.B. of the State Rate Pages.
  - i.** Round to three decimals.
- D.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i.** Round to three decimals.
- E.** Multiply by the Term Adjustment Factor calculated in Section **A.**
  - i.** Round to the nearest Dollar.

**16. HO 24 82 Personal Injury**

- A.** Locate the applicable Rate Per Policy shown in Rule 610. of the State Rate Pages.
- B.** Multiply by the applicable Increased Liability Limits Factor shown in Figure 3. of the State Rate Pages.
  - i.** Round to three decimals.

- C. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i. Round to three decimals.
- D. Multiply by the Term Adjustment Factor calculated in Section A.
  - i. Round to the nearest Dollar.

**17. HO 04 61 Scheduled Personal Property Endorsement**

**A. Are there scheduled Cameras?**

**i. Yes –**

1. Sum the total amount of requested coverage.
2. Divide by the Per Limit Amount shown in Rule 516. of the State Rate Pages.
  - a. Round to three decimals.
3. Multiply by the Per Limit Rate shown in Rule 516. of the State Rate Pages.
  - a. Round to three decimals.
4. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - a. Round to three decimals
5. Multiply by the Term Adjustment Factor calculated in Section A.
  - a. Round to the nearest Dollar.
6. This is the premium for Scheduled Cameras. Store this number. Skip to Step B.

**ii. No – Skip to Step B.**

**B. Are there scheduled Furs?**

**i. Yes –**

1. Sum the total amount of requested coverage.
2. Divide by the Per Limit Amount shown in Rule 516. of the State Rate Pages.
  - a. Round to three decimals.
3. Multiply by the Per Limit Rate shown in Rule 516. of the State Rate Pages.
  - a. Round to three decimals.
4. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - a. Round to three decimals.
5. Multiply by the Term Adjustment Factor calculated in Section A.
  - a. Round to the nearest Dollar.
6. This is the premium for Scheduled Furs. Store this number. Skip to Step C.

**ii. No – Skip to Step C.**

**C. Is there scheduled Jewelry?**

**i. Yes –**

1. Sum the total amount of requested coverage.
2. Divide by the Per Limit Amount shown in Rule 516. of the State Rate Pages.
  - a. Round to three decimals.
3. Multiply by the Per Limit Rate shown in Rule 516. of the State Rate Pages.
  - a. Round to three decimals.
4. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - a. Round to three decimals.
5. Multiply by the Term Adjustment Factor calculated in Section A.

- a. Round to the nearest Dollar.
    - 6. This is the premium for Scheduled Jewelry. Store this number. Skip to Step D.
  - ii. No – Skip to Step D.
- D. Is there scheduled Silverware?**
- i. Yes –
    - 1. Sum the total amount of requested coverage.
    - 2. Divide by the Per Limit Amount shown in Rule 516. of the State Rate Pages.
      - a. Round to three decimals.
    - 3. Multiply by the Per Limit Rate shown in Rule 516. of the State Rate Pages.
      - a. Round to three decimals.
    - 4. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
      - a. Round to three decimals.
    - 5. Multiply by the Term Adjustment Factor calculated in Section A.
      - a. Round to the nearest Dollar.
    - 6. This is the premium for Scheduled Silverware. Store this number. Skip to Step E.
  - ii. No – Skip to Step E.
- E. Is there scheduled Fine Art?**
- i. Yes –
    - 1. Sum the total amount of requested coverage.
    - 2. Divide by the Per Limit Amount shown in Rule 516. of the State Rate Pages.
      - a. Round to three decimals.
    - 3. Multiply by the Per Limit Rate shown in Rule 516. of the State Rate Pages.
      - a. Round to three decimals.
    - 4. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
      - a. Round to three decimals.
    - 5. Multiply by the Term Adjustment Factor calculated in Section A.
      - a. Round to the nearest Dollar.
    - 6. This is the premium for Scheduled Fine Art. Store this number. Skip to Step F.
  - ii. No – Skip to Step F.
- F. Is there scheduled Golf Equipment?**
- i. Yes –
    - 1. Sum the total amount of requested coverage.
    - 2. Divide by the Per Limit Amount shown in Rule 516. of the State Rate Pages.
      - a. Round to three decimals.
    - 3. Multiply by the Per Limit Rate shown in Rule 516. of the State Rate Pages.
      - a. Round to three decimals.
    - 4. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
      - a. Round to three decimals.
    - 5. Multiply by the Term Adjustment Factor calculated in Section A.
      - a. Round to the nearest Dollar.
    - 6. This is the premium for Scheduled Golf Equipment. Store this number. Skip to Step G.
  - ii. No – Skip to Step G.

- G. Is there scheduled Non-Professional Musical Equipment?**
- i. Yes – Sum the total amount of requested coverage.**
    - 1. For \$500 or less in coverage:**
      - a. Divide the requested coverage amount by 500.**
        - i. Round to three decimals.**
      - b. Multiply by the first 500 rate shown in Rule 516. of the State Rate Pages.**
        - i. Round to three decimals.**
      - c. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.**
        - i. Round to three decimals.**
      - d. Multiply by the Term Adjustment Factor calculated in Section A.**
        - i. Round to the nearest Dollar.**
        - ii. This is the premium for Scheduled Non-Professional Musical Equipment. Store this number and skip to Step H.**
    - 2. For coverage between \$501 and \$1,500:**
      - a. Subtract 500 from the requested coverage amount.**
      - b. Divide the difference by 1,000.**
        - i. Round to three decimals.**
      - c. Multiply by the Next 1,000 Rate shown in Rule 516. of the State Rate Pages.**
        - i. Round to three decimals.**
      - d. Add the rate for the first 500 shown in Rule 516. of the State Rate Pages.**
        - i. Round to three decimals.**
      - e. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.**
        - i. Round to three decimals.**
      - f. Multiply by the Term Adjustment Factor calculated in Section A.**
        - i. Round to the nearest Dollar.**
        - ii. This is the premium for Scheduled Non-Professional Musical Equipment. Store this number and skip to Step H.**
    - 3. For coverage over \$1,500:**
      - a. Subtract 1500 from the requested coverage amount.**
        - i. Divide the difference by 1,000.**
          - 1. Round to three decimals.**
        - ii. Multiply by the Over 1,500 Rate shown in Rule 516. of the State Rate Pages.**
          - 1. Round to three decimals.**
      - b. Add the First 500 Rate shown in Rule 516. of the State Rate Pages.**
        - i. Round to three decimals.**
      - c. Add the Next 1,000 Rate shown in Rule 516. of the State Rate Pages.**
        - i. Round to three decimals.**
      - d. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.**
        - i. Round to three decimals.**
      - e. Multiply by the Term Adjustment Factor calculated in Section A.**
        - i. Round to the nearest Dollar.**

- ii. This is the premium for Scheduled Non-Professional Musical Equipment. Store this number and skip to Step H.

ii. No – Skip to Step H.

H. For the total endorsement premium, sum the premiums from A, B, C, D, E, F, and G.

**18. HO 04 48 Other Structures on the Residence Premises Increased Limits**

- A. Sum the total of requested coverage.
  - i. Round to the nearest dollar.
- B. Divide by the Per Limit Amount shown in Rule 514.B. of the State Rate Pages.
  - i. Round to three decimals.
- C. Multiply by the Per Limit Rate shown in Rule 514.B. of the State Rate Pages.
  - i. Round to three decimals.
- D. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i. Round to three decimals.
- E. Multiply by the Term Adjustment Factor calculated in Section A.
  - i. Round to the nearest dollar.

**19. HO 04 40 Structures Rented to Others – Residence Premises**

**Liability:**

- A. For each location:
  - i. Locate the Rate per Structure shown in Rule 605.A. of the State Rate Pages.
  - ii. Based off Coverage E, multiply by the applicable Increased Liability Limits Factor shown in Figure 3. of the State Rate Pages.
    - 1. Round to three decimals.
  - iii. Add the applicable Medical Payments Rate from 605.B. of the State Rate Pages.
    - 1. Round to three decimals.
  - iv. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - 1. Round to three decimals.
  - v. Multiply by the Term Adjustment Factor calculated in Section A.
    - 1. Round to the nearest dollar.
    - 2. Store this number.
- B. Sum the premiums of each location from Step A.
  - i. Store this number.

**Property:**

- C. Sum the requested property limits for each location.
  - i. Round to the nearest dollar.
- D. Divide the Limit of Liability by the Per Limit Amount shown in Rule 514.C. of the State Rate Pages.
  - i. Round to three decimals.
- E. Multiply by the Per Limit Rate shown in Rule 514.C. of the State Rate Pages.
  - i. Round to the nearest dollar.
- F. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i. Round to three decimals.

- G.** Multiply by the Term Adjustment Factor calculated in Section A.
  - i.** Round to the nearest Dollar.
- H.** Sum Step B. and Step G.

**20. HO 04 65 Coverage C Increased Special Limits of Liability**

**A.** Is there an increased Money limit?

**i.** Yes –

- 1.** Subtract the contract included limit from the total requested limit.
- 2.** Divide by the Per Limit Amount shown in Rule 515.E.2. of the State Rate Pages.
  - a.** Round to the nearest dollar.
- 3.** Multiply by the Per Limit Rate shown in Rule 515.E.2. of the State Rate Pages.
  - a.** Round to three decimals.
- 4.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - a.** Round to three decimals.
- 5.** Multiply by the Term Adjustment Factor calculated in Section A.
  - a.** Round to the nearest dollar.
- 6.** Store this number and skip to Step B.

**ii.** No – Skip to Step B.

**B.** Is there an increased Securities limit?

**i.** Yes –

- 1.** Subtract the contract included limit from the total requested limit.
- 2.** Divide by the Per Limit Amount shown in Rule 515.E.2. of the State Rate Pages.
  - a.** Round to the nearest dollar.
- 3.** Multiply by the Per Limit Rate shown in Rule 515.E.2. of the State Rate Pages.
  - a.** Round to three decimals.
- 4.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - a.** Round to three decimals.
- 5.** Multiply by the Term Adjustment Factor calculated in Section A.
  - a.** Round to the nearest dollar.
- 6.** Store this number and skip to Step C.

**ii.** No – Skip to Step C.

**C.** Is there an increased Jewelry, Watch, or Furs limit?

**i.** Yes –

- 1.** Subtract the contract included limit from the total requested limit.
- 2.** Divide by the Per Limit Amount shown in Rule 515.E.1. of the State Rate Pages.
  - a.** Round to three decimal places.
- 3.** Multiply by the Per Limit Rate shown in Rule 515.E.1. of the State Rate Pages.
  - a.** Round to three decimals.
- 4.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - a.** Round to three decimals.
- 5.** Multiply by the Term Adjustment Factor calculated in Section A.
  - a.** Round to the nearest Dollar.
- 6.** Store this number and skip to Step D.

- ii. No – Skip to Step D.
- D. Is there an increased Firearm limit?
  - i. Yes –
    - 1. Subtract the contract included limit from the total requested limit.
    - 2. Divide by the Per Limit Amount shown in Rule 515.E.4. of the State Rate Pages.
      - a. Round to the nearest dollar.
    - 3. Multiply by the Per Limit Rate shown in Rule 515.E.4. of the State Rate Pages.
      - a. Round to three decimals.
    - 4. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
      - a. Round to three decimals.
    - 5. Multiply by the Term Adjustment Factor calculated in Section A.
      - a. Round to the nearest Dollar.
    - 6. Store this number and skip to Step E.
  - ii. No – Skip to Step E.
- E. Is there an increased Silverware limit?
  - i. Yes –
    - 1. Subtract the contract included limit from the total requested limit.
    - 2. Divide by the Per Limit Amount shown in Rule 515.E.3. of the State Rate Pages.
      - a. Round to the nearest dollar.
    - 3. Multiply by the Per Limit Rate shown in Rule 515.E.3. of the State Rate Pages.
      - a. Round to three decimals.
    - 4. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
      - a. Round to three decimals.
    - 5. Multiply by the Term Adjustment Factor calculated in Section A.
      - a. Round to the nearest Dollar.
    - 6. Store this number and skip to Step F.
  - ii. No – Skip to Step F.
- F. Is there an increased Electronics limit?
  - i. Yes –
    - 1. Subtract the contract included limit from the total requested limit.
    - 2. Divide by the Per Limit Amount shown in Rule 515.E.5. of the State Rate Pages.
      - a. Round to the nearest dollar.
    - 3. Multiply by the Per Limit Rate shown in Rule 515.E.5. of the State Rate Pages.
      - a. Round to three decimals.
    - 4. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
      - a. Round to three decimals.
    - 5. Multiply by the Term Adjustment Factor calculated in Section A.
      - a. Round to the nearest Dollar.
    - 6. Store this number and skip to Step G.
  - ii. No – Skip to Step G.
- G. Sum steps A.,B.,C.,D.,E., and F.



**21. HO 24 71 Business Pursuits**

**A. For each employee type:**

- i.** Locate the applicable Rate Per Person in Rule 609. of the State Rate Pages.
- ii.** If applicable, locate and Add the charge for corporal punishment.
- iii.** Multiply by the applicable Increased Liability Limits Factor shown in Figure 3. in the State Rate Pages.
  - 1.** Round to three decimals.
- iv.** Locate and add the applicable charge for Medical Payments from Rule 609. in the State Rate Pages.
  - 1.** Round to three decimals.
- v.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - 1.** Round to three decimals.
- vi.** Multiply by the Term Adjustment Factor calculated in Section **A.**
  - 1.** Round to the nearest Dollar.
- vii.** Multiply by the number of Insured Persons.
- viii.** Store this number.

**B. Sum the premiums for each employee type.**

**22. HO 04 90 Personal Property Replacement Cost Loss Settlement**

**A. Begin with the **Base Premium.****

**B. If applicable, add the calculated premium for an increased Coverage C Limit or subtract the Coverage C Reduced Limits Premium.**

**C. If applicable, add the premium for HO 04 61 Scheduled Personal Property Endorsement.**

- i.** Do not add fine arts premium or premiums from other personal property listed under the “PROPERTY NOT ELIGIBLE” section.
- ii.** Store this number.

**D. Multiply by the appropriate Replacement Cost Factor from Rule 403. of the General Rules.**

- i.** Round to three decimals.
- ii.** Store this number.

**E. Subtract the number stored at step **C.i.** from the number stored at step **D.ii.****

- i.** Round to the nearest Dollar.

**23. HO 04 59 Assisted Living Care Coverage**

**A. Locate the Rate Per Person shown in Rule 523. of the State Rate Pages.**

**B. Multiply by the number of Persons.**

- i.** Round to the nearest Dollar.

**C. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.**

- i.** Round to three decimals.

**D. Multiply by the Term Adjustment Factor calculated in Section **A.****

- i.** Round to the nearest Dollar.

**24. HO 04 20C Specified Additional Amount of Insurance for Coverage **A** – Dwelling**

**A. Charge the Rate shown in Rule 407. of the State Rate Pages.**

- B.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i.** Round to three decimals.
- C.** Multiply by the Term Adjustment Factor calculated in Section A.
  - i.** Round to the nearest Dollar.

**25. HO 23 47C Excess Dwelling Coverage – Arkansas (Specified Additional Amount of Insurance for Coverage A – Dwelling)**

- A.** Charge the Rate shown in Rule 407. of the State Rate Pages.
- B.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i.** Round to three decimals.
- C.** Multiply by the Term Adjustment Factor calculated in Section A.
  - i.** Round to the nearest Dollar.

**26. HO 04 35 Supplemental Loss Assessment Coverage Endorsement**

**A. Residence Premises?**

- i.** Yes – If the requested coverage amount is \$5,000 or \$10,000, charge the applicable rate shown in Rule 511.A. of the State Rate Pages and skip to Step 2.
  - 1.** If the requested coverage amount exceeds \$10,000:
    - a.** For each \$5,000 increment, charge the rate shown in the Rule 511.A. in the State Rate Pages and add it to the rate for \$10,000.
    - b.** Skip to Step 2.
  - 2.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - a.** Round to three decimals.
  - 3.** Multiply by the Term Adjustment Factor calculated in Section A.
    - a.** Round to the nearest Dollar.
    - b.** Store this number and skip to Step B.
- ii.** No – Skip to Step B.

**B. Additional Location?**

- i.** Yes – For Each Location:
  - 1.** If the requested coverage amount is \$1,000, \$5,000, or \$10,000, charge the applicable rate shown in Rule 511.B. of the State Rate Pages and skip to Step 3.
  - 2.** If the requested coverage amount exceeds \$10,000:
    - a.** For each \$5,000 increment, charge the rate shown in the Rule 511.B. of the State Rate Pages in the State Rate Pages and add it to the rate for \$10,000.
    - b.** Skip to Step 3.
  - 3.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - a.** Round to three decimals.
  - 4.** Multiply by the Term Adjustment Factor calculated in Section A.
    - a.** Round to the nearest Dollar.
    - b.** Store this number.
  - 5.** Sum the premiums of all locations and skip to Step C.

- ii. No – Skip to Step C.
- C. Sum Step A. and Step B.

**27. HO 04 92C Specific Structure On or Away from Residence Premises**

- A. For each structure:
  - i. Divide by the Per Limit Amount shown in Rule 514.D.2. Other Structures of the State Rate Pages.
    - 1. Round to three decimals.
  - ii. Multiply by the Per Limit Rate shown in Rule 514.D.2. Other Structures of the State Rate Pages.
    - 1. Round to three decimals.
  - iii. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - 1. Round to three decimals.
  - iv. Multiply by the Term Adjustment Factor calculated in Section A.
    - 1. Round to the nearest Dollar.
  - v. Store this number.
- B. Sum the premium of all structures.

**28. HO 04 58 Other Members of Your Household**

- A. For each other member of the household:
  - i. Locate the Rate Per Person in Rule 524.A. of the State Rate Pages.
  - ii. Add the applicable Coverage E Liability Limits rate from Rule 524.B. of the State Rate Pages.
    - 1. Round to the nearest Dollar.
  - iii. Add the applicable Coverage F Medical Payments rate from Rule 524.C. of the State Rate Pages.
    - 1. Round to the nearest Dollar.
  - iv. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - 1. Round to the three decimals.
  - v. Multiply by the Term Adjustment Factor calculated in Section A.
    - 1. Round to the nearest Dollar.
    - 2. Store this number.
- B. Sum the premium of all other household members.

**29. HO 04 51 Building Additions and Alterations Increased Limits**

- A. Divide the requested increased coverage amount by 1,000.
  - i. Round to three decimal places.
- B. Multiply by the HO 00 04 Territorial Base Rate from Figure 1. in the State Rate Pages.
- C. Multiply by the applicable Protection Class/Construction Factor from Figure 2. in the State Rate Pages.
  - i. Round to the nearest Dollar.
- D. Multiply by the HO 00 04 “Each Add’l 1,000” Amount of Insurance Factor from Figure 4.A. in the State Rate Pages.
  - i. Round to the nearest three decimals.

- E.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i.** Round to three decimals.
- F.** Multiply by the Term Adjustment Factor calculated in Section A.
  - i.** Round to the nearest Dollar.

**30. HO 24 75 Watercraft**

- A.** For each watercraft:
  - i.** Locate the applicable Liability Rate in Rule 612. of the State Rate Pages.
  - ii.** Multiply by the applicable Increased Liability Limits Factor in Figure 3. of the State Rate Pages.
    - 1.** Round to three decimals.
  - iii.** Locate and Add the applicable Medical Payments Rate in 612. of the State Rate Pages.
    - 1.** Round to the three decimals.
  - iv.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - 1.** Round to three decimals.
  - v.** Multiply by the Term Adjustment Factor calculated in Section A.
    - 1.** Round to the nearest Dollar.
    - 2.** Store this number.
- B.** Sum the premium of all watercraft.

**31. HO 04 12 Increased Limits on Business Property**

- A.** For each location:
  - i.** Divide the requested coverage amount by the Per Limit Amount listed in Rule 503. of the State Rate Pages.
  - ii.** Multiply by the Rate Per Limit shown in Rule 503. of the State Rate Pages.
    - 1.** Round to three decimals.
  - iii.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - 1.** Round to three decimals.
  - iv.** Multiply by the Term Adjustment Factor calculated in Section A.
    - 1.** Round to the nearest Dollar.
    - 2.** Store this number.
- B.** Sum the premium of all locations.

**32. HO 04 42 Permitted Incidental Occupancies**

**Property:**

- A.** Is there a permitted incidental occupancy in another structure at the residence premises?
  - i.** Yes –
    - 1.** For each item divide the requested coverage amount by the Per Limit Amount shown in Rule 510 E.1.b. of the State Rate Pages.
      - a.** Round to three decimals.
    - 2.** Multiply by the Per Limit Rate shown in Rule 510 E.1.b. of the State Rate Pages .

- a. Round to three decimals.
- 3. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - a. Round to three decimals.
- 4. Multiply by the Term Adjustment Factor calculated in Section A.
  - a. Round to the Nearest Dollar.
  - b. Store this number.
- 5. Sum the premium of all items
  - a. Store this number and skip to Step B.
- ii. No – Skip to Step B.

**Liability:**

- B. Locate the Coverage E Rate in Rule 608.A.1. of the State Rate Pages.
  - i. Multiply by the applicable Increased Liability Limits Factor shown in Figure 3. of the State Rate Pages.
    - 1. Round to three decimals.
  - ii. Add the applicable Medical Payments Premium from Rule 608.A.2. of the State Rate Pages.
    - 1. Round to three decimals.
  - iii. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - 1. Round to three decimals.
  - iv. Multiply by the Term Adjustment Factor calculated in Section A.
    - 1. Round to the Nearest Dollar.
    - 2. Store this number.
- C. Sum Step A. and B.

**33. MH 04 06 Property Removed Increased Limit**

- A. Begin with the total requested limit.
- B. Subtract the contract included limit.
- C. Divide by the Per Limit Amount shown in Rule 808. of the Mobile Home Underwriting Rules.
- D. Multiply by the Per Limit Rate shown in Rule 808. of the Mobile Home Underwriting Rules.
  - i. Round to the nearest Dollar.
- E. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i. Round to the nearest Dollar.
- F. Multiply by the Term Adjustment Factor calculated in Section A.
  - i. Round to the Nearest Dollar.

**34. HO 04 50C Amount of Insurance for Personal Property at Other Residences**

- A. Divide the requested increased limit of liability by 1,000.
  - i. Round to three decimal places.
- B. Multiply by the Rate per Limit shown in Rule 515.B. of the State Rate Pages.
  - i. Round to three decimals.
- C. If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i. Round to three decimals.

- D.** Multiply by the Term Adjustment Factor calculated in Section **A.**
  - i.** Round to the nearest Dollar.

**35. HO 06 14C Amount of Insurance for Personal Property Located in a Self-storage Facility**

- A.** For each storage location:
  - i.** Divide the total requested increased limit of liability by 1,000.
    - 1.** Round to three decimals.
  - ii.** Multiply by the Rate per Limit shown in Rule 515.C. of the State Rate Pages.
    - 1.** Round to three decimals.
  - iii.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
    - 1.** Round to three decimals.
  - iv.** Multiply by the Term Adjustment Factor calculated in Section **A.**
    - 1.** Round to the nearest Dollar.
    - 2.** Store this number.
- B.** Sum the premium of each storage location.

**36. HO 04 91 Coverage B – Other Structures Away from the Residence Premises**

- A.** Charge the rate per policy shown in Rule 514.D.1. of the State Rate Pages.
- B.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i.** Round to three decimals.
- C.** Multiply by the Term Adjustment Factor calculated in Section **A.**
  - i.** Round to the nearest Dollar.

**37. HO 24 26 Personal Injury Coverage – Arkansas**

- A.** Locate the rate per policy in Rule 610.A. of the State Rate Pages.
- B.** Multiply by the applicable Liability Increased Limits Factor shown in Figure 3. of the State Rate Pages.
  - i.** Round to three decimals.
- C.** If applicable, multiply by the Companion Policy Discount Factor from Rule 307. of the General Rules.
  - i.** Round to three decimals.
- D.** Multiply by the Term Adjustment Factor calculated in Section **A.**
  - i.** Round to the nearest Dollar.

# HOMEOWNERS UNDERWRITING RULES

## HOMEOWNER PLACEMENT SUMMARY

	Single- and Double-Wide Mobile Homes	Home Security	Standard Homeowners	Preferred Homeowners
<b>Minimum Dwelling Value</b>	\$20,000	\$40,000	\$100,000	\$200,000
<b>Policy Form</b>	HO-2 with MH 04 01 endorsement	HO-2 with ACV endorsement	HO-2 or HO-3	HO-3 with HO 200C endorsement (AR only - HO 201C endorsement)
<b>Loss Experience History</b>	No total fire losses and no more than two <b>non-weather related</b> losses in the past five years. No water damage in the last five years - not incl. payouts less than \$2,500.	No total fire losses and no more than two <b>non-weather related</b> losses in the past five years. No water damage in the last five years - not incl. payouts less than \$2,500.	No total fire losses and no more than two <b>non-weather related</b> losses in the past five years. No water damage in the last five years - not incl. payouts less than \$2,500.	No total fire losses and no more than one <b>non-weather related</b> loss in the past three years. No water damage in the last five years - not incl. payouts less than \$2,500.
<b>Physical Condition and Maintenance</b>	Good	Average	Good	Excellent
<b>Primary Heating</b>	Modern	Modern	Modern	Central heat
<b>Construction</b>	Good quality	Average quality, no log or mobile homes.	Good quality, no log or mobile homes.	Good to superior quality, no log, mobile or modular homes.
<b>Construction Quality*</b>	All levels of construction quality found in the e2Value® Mobilehomeowners section	All levels of construction quality.	All levels of construction quality except Basic/Economy or Modest/Fair (all levels of construction are acceptable for seasonal and secondary homes).	All levels of construction quality except Basic/Economy, Modest/Fair or Average/Standard.
<b>Percent of Replacement Cost</b>	At least 80% unless ACV endorsement MH 04 02 is attached.	Insured amount has no set relationship to replacement cost, use the e2Value® estimators actual cash value portion to determine amount of insurance.	At least 80% of the resulting replacement cost figure.	Minimum of 100% of the resulting replacement cost figure.
<b>Loss Settlement Coverage A</b>	Replacement cost unless ACV endorsement MH 04 02 is attached.	Actual Cash Value	Replacement Cost	Excess Dwelling Coverage
<b>Risk Index Tier</b>	<p>Applicants in tier one through tier eight are eligible for consideration in the Homeowners program. Tier nine and tier ten are eligible for consideration in the Dwelling Property and Dwelling Liability Program</p> <p>ARKANSAS ONLY - Applicants in tier nine and tier ten who have not experienced a non-weather related loss are eligible for consideration in the Homeowners program.</p>			

\* Source – e2Value® Residential Cost Estimator

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# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

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# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

### INTRODUCTION

The Homeowners Policy Program manual contains the rules, classifications and rating provisions for the issuance of the Homeowners Policy. The manual is divided into two sections, GENERAL RULES and STATE PAGES.

The GENERAL RULES section contains rules common to most states. The STATE PAGES section contains any state exceptions to the General Rules, any special state provisions, and the basic premiums and rates for the optional coverages available under the Homeowners Policy Program.

### GENERAL RULES

The Homeowners Policy Program provides property and liability coverages, using the forms and endorsements specified in this manual. This manual contains the rules and classifications governing the writing of the Homeowners Policy. The rules, rates, forms and endorsements of the company for each coverage shall govern in all cases not specifically provided for in this manual.

#### PART I

#### COVERAGE AND DEFINITION TYPE RULES

##### 101. LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS

A. The limits of liability required under the Homeowners Policy are as follows:

1. Section I - Property Damage

Coverage	HO 00 02 or 03	HO 00 04 or 06
A - Dwelling Minimum Limit	\$100,000	For <b>HO 00 06</b> refer to Rule 507.A.
B - Other Structures	10% of A	—
C - Personal Property	50% of A	\$6,000
D - Loss of Use	30% of A	30% of C - <b>HO 00 04</b> 50% of C - <b>HO 00 06</b>

2. Section II - Liability

All Forms

Coverage E - Personal Liability \$100,000 Each Occurrence

Coverage F - Medical Payments to Others \$ 1,000 Each Person

B. All Forms - The limit of liability for Coverages C or D of Section I and E or F of Section II may be increased.

C. Form **HO 00 02** or **HO 00 03** - Under Coverage B of Section I, an additional amount of insurance may be written on a specific structure.

D. Form **HO 00 02** or **HO 00 03** - Under Coverage C of Section I, it is permissible to reduce the limit of liability to an amount not less than 40% of the limit on the dwelling.

E. Form **HO 00 06** - The limit of liability for Coverage A of Section I may be increased.



# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

### 102. DESCRIPTION OF COVERAGES

#### A. Section I Coverages - Property Damage

The following is a general description of the coverages provided by the individual Homeowners Policy forms. The policy shall be consulted for exact contract conditions.

Perils Insured Against	HO 00 02	HO 00 03	HO 00 04 and 06
Fire or lightning	Yes	Yes Cov. C	Yes
Windstorm or hail; Explosion; Riot or civil commotion; Aircraft; Vehicles or Smoke	Yes	Yes Cov. C	Yes
Vandalism or malicious mischief	Yes	Yes Cov. C	Yes
Theft	Yes	Yes Cov. C	Yes
Volcanic eruption	Yes	Yes Cov. C	Yes
Falling objects; Weight of ice, snow or sleet; Accidental discharge of water or steam; Sudden and accidental tearing apart of a heating system or appliance; Freezing; Sudden and accidental damage from electrical current.	Yes	Yes Cov. C	Yes
Additional risks with certain exceptions (Special Coverage)	No	Yes Cov. A, B and D	No

#### B. Section II Coverages - Liability - All Forms

Coverage E - Personal Liability

Coverage F - Medical Payments to Others

1. Personal Liability - Covers payment on behalf of any insured for all sums which the insured shall become legally obligated to pay as damages because of bodily injury or property damage arising out of an insured's premises or personal activities.
2. Medical Payment to Others - Covers medical expenses incurred by persons, other than the insured, who sustain bodily injury caused by an accident arising out of an insured's premises or personal activities.

### 103. MANDATORY COVERAGES

It is mandatory that insurance be written for all coverages provided under both Sections I and II of the Homeowners Policy.

### 104. ELIGIBILITY

#### A. Form HO 00 02 or HO 00 03

A Homeowners Policy may be issued:

1. To the owner-occupant(s) of a one-, or two-family dwelling which is used exclusively for private residential purposes (except as provided in General Rule 104.F. and 104.H.). A one-family dwelling may not be occupied by more than one additional family or two roomers or boarders. In a two-family dwelling, an individual family unit may not be occupied by more than two families or one family with two roomers or boarders; or

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# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

2. To the purchaser-occupant(s) who has entered into a long term installment contract for the purchase of the dwelling and who occupies the dwelling but to whom title does not pass from the seller until all the terms of the installment contract have been satisfied. The seller retains title until completion of the payments and in no way acts as a mortgagee. The seller's interest in the building and premises liability may be covered using Endorsement **HO 04 41** - Additional Insured; or
3. To the occupant of a dwelling under a life estate arrangement when the Coverage A amount is at least 80% of the dwelling's replacement cost. The owner's interest in the building and premises liability may be covered using Endorsement **HO 04 41** - Additional Insured; or
4. To cover dwellings in the course of construction provided the policy is issued only in the name of the intended owner-occupant(s) of the dwelling. The policy should be written when construction begins. Construction must be completed prior to the first renewal of the policy.

Use Endorsement **F 004**- Provisional Limit for Building(s) Under Construction.

5. When a two-family dwelling is occupied by co-owners, each occupying distinct living quarters with separate entrances. Given these circumstances, a Homeowners Policy providing building coverage may be issued to only one of the co-owner occupants of the dwelling. The policy may be endorsed to cover the interest of the other co-owner(s) in the building and for premises liability. Use Additional Insured Endorsement **HO 04 41**. A separate Homeowners Policy **HO 00 04** may be issued to the co-owner(s) occupying the other apartment in the dwelling.

It is permissible to extend the Homeowners Policy, without additional premium charge, to cover the interest of a non-occupant joint owner in the building and for premises liability.

Use Endorsement **HO 04 41** - Additional Insured.

### B. FORM **HO 00 04**

A Homeowners Policy may be issued to:

1. The tenant(s) (non-owner) of a dwelling or an apartment situated in any building; or
2. The owner-occupant(s) of a dwelling, co-operative unit or of a building containing an apartment not otherwise eligible for a Homeowners Policy under General Rule 104.A. above.

provided the residence premises occupied by the insured is used exclusively for residential purposes (except as provided in General Rule 104.F.) and is not occupied by more than one additional family or more than two boarders or roomers.

- C. FORM **HO 00 06** - A Homeowners Policy may be issued to the owner(s) of a condominium or cooperative unit which is used exclusively for residential purposes (except as provided in Rule 104.F. and 104.H.), and is not occupied by more than one additional family or more than two boarders or roomers.
- D. Subject to all other sections of this rule, a Homeowners Policy may be issued to cover a seasonal dwelling.
- E. A Homeowners Policy shall not be issued to cover any single- or double-wide mobile home. Their contents may be covered under Rule 104.B.
- F. Certain business occupancies are permitted, provided:
  1. The premises is occupied principally for private residential purposes; and
  2. There is no other business occupancy on the premises.

When the business is conducted on the residence premises, refer to Rule 510. for Section I Coverage and Rule 608. for Section II Coverage. When it is conducted from an Other Residence, only Section II Coverage is available. Refer to Rule 608.

### G. Farm Property

1. A Homeowners Policy shall not be issued to cover any property to which farm forms or rates apply under the rules of the company. In no event shall a policy be issued to provide Section I property damage coverage to any property situated on premises used for farming purposes except as noted in 2. below.

# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

- Optional Section I property coverage is available for certain farm property exposures as specified in Rule 532. Use Hobby Farm Endorsement, **HO 220C**.

Optional Section II liability coverage is available for certain farm liability exposures as specified in Rule 615.

Use Endorsement **HO 24 72** Incidental Farming Personal Liability.

### H. Residence Held In Trust (All Forms Except HO 00 04)

A Homeowners Policy may be issued to an occupant of a one-, or two-family dwelling or a condominium unit when legal title to the dwelling or unit is held in trust and:

- One of the occupants of the dwelling or condominium unit is the grantor/settlor of the trust;
- The residence held in trust is used exclusively for residential purposes, except as provided in Rule 104. F.; and
- No trustee of the trust is:
  - A partnership or joint venture;
  - A corporation;
  - A limited liability company;
  - An organization other than a partnership or joint venture, a corporation or a limited liability company; or
  - A licensed professional who provides ongoing professional services with respect to the profession for which that individual is licensed, in connection with the administration of the trust. However, this Paragraph e. does not apply to an individual who is a relative of the grantor/settlor of the trust.

Refer to Rule 526. for the rule of application.

### 105. SECONDARY RESIDENCE PREMISES

- Homeowners coverage on a secondary residence premises shall be provided under a separate policy. The rules of this manual apply except that Section II Coverage is not mandatory for the secondary residence policy when the same company insures the initial and secondary residence.
- When coverage is provided on the initial and secondary residence premises under separate policies in the same company, the following premium adjustments should be made:
  - Calculate the premium adjustment for the policy covering the secondary residence using the premium computation procedures shown in the Premium Computations pages and the credit shown on the state rate pages; and
  - Add the charge for Other Insured Location Occupied by Insured, developed from Rule 602., to the policy covering the initial residence.

### 106. COMMUNITY MITIGATION / PUBLIC PROTECTION CLASSIFICATION INFORMATION

ISO establishes general classifications applying to all areas within the limits of municipalities and recognized boundaries of protected area fire districts, protected unincorporated communities and rural areas.

To rate each risk, determine the Public Protection Classification (PPC) from the ISO Community Mitigation Classification (CMC) pages.

#### Primary Response

- Where classified areas are published with a single PPC number, properties within five road miles of the **primary responding** fire station should receive that PPC number.
- Where classified areas are published with a split PPC number (e.g. 6/9), properties within five road miles of the **primary responding** fire station should receive the first listed PPC number (e.g. 6/9 use class 6).

#### Reciprocal Agreements

Properties within five road miles of a **primary responding** fire station which has a reciprocal agreement (see definition below) with a PPC 1 through 8 fire station may be eligible for an upgraded PPC.

- If the property is within 1,000 feet of a fire hydrant, use the same PPC as the station providing reciprocal fire protection.

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# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

2. If the property is over 1,000 feet from a fire hydrant or if no hydrant is present, use the next higher PPC as the reciprocal station providing the fire protection.

**Definition of Reciprocal Agreement** - a formal agreement between two fire departments where the alarm would sound, or the fire call goes in simultaneously to both stations. This is not to be confused with a mutual aid agreement which is more informal, and would mean that one department would respond, if called. Reciprocating fire stations must be no more than ten miles apart.

Utilize PPC 9 in place of PPC 8B.

PPC 10 applies to all areas not listed and to properties which are located more than five road miles from a responding fire department.

**Note:** If the property is within a platted subdivision, a part of which is located within the five mile limit, the entire subdivision will be considered to be within the five mile limit.

Adjustments to PPC will be applied at the renewal of the property policy and not at mid-term.

See your state Protection Classification section for possible Cameron Mutual exceptions to the ISO PPC.

**Class 10 Public Protection Classification – Standard Homeowners:** All new Homeowners applications with a home located in PPC 10 must meet ALL of the following requirements in order to be considered for placement in Cameron Mutual's Standard Homeowners program:

- a. The amount of insurance for Coverage A must be at least \$150,000;
- b. The age of the home must be 20 years old or newer;
- c. The home must be within 10 miles of an ISO-recognized primary responding fire department; and
- d. The home must be accessible at all times to firefighting equipment and located on an all-weather road.

### 107. CONSTRUCTION DEFINITIONS

**A. Frame** - exterior wall of wood or other combustible construction, including wood ironclad, stucco on wood or plaster on combustible supports.

Aluminum or plastic siding over frame.

**B. Masonry Veneer** - exterior walls of combustible construction veneered with brick or stone.

**C. Masonry** - exterior walls constructed of masonry materials such as adobe, brick, concrete, gypsum block, hollow concrete block, stone, tile or similar materials and floors and roof of combustible construction (disregarding floors resting directly on the ground).

**D. Superior Construction**

1. Non-Combustible - exterior walls and floors and roof constructed of, and supported by metal, gypsum, or other non-combustible materials.
2. Masonry Non-Combustible - exterior walls constructed of masonry materials (as described in C. above) and floors and roof of metal or other non-combustible materials.
3. Fire Resistive - exterior walls and floors and roof constructed of masonry or other fire resistive materials.

**Note:** For Superior Construction, apply the masonry construction factor in the rate calculations.

**Note: Mixed (Masonry/Frame)** - a combination of both frame and masonry construction shall be classed and coded as frame when the exterior walls of frame construction (including gables) exceed 33 1/3% of the total exterior wall area; otherwise class and code as masonry.

### 108. SEASONAL DWELLING DEFINITION

A seasonal dwelling is a dwelling with continuous unoccupancy of three or more consecutive months during any one-year period. The insured must have their owner occupied primary Homeowners policy insured with Cameron Mutual and their Personal Auto policy insured with Cameron Mutual Insurance Company or Cameron National Insurance Company or coverage for the Seasonal Dwelling cannot be bound.

# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

### 109. SINGLE AND SEPARATE BUILDING DEFINITION

#### A. Single Building

All buildings or sections of buildings which are accessible through unprotected openings shall be considered as a single building.

#### B. Separate Buildings

1. Buildings which are separated by space shall be considered separate buildings.
2. Buildings or sections of buildings which are separated by:
  - a. A 6-inch reinforced concrete or an 8-inch masonry party wall; or
  - b. A documented minimum two-hour non-combustible wall which has been laboratory tested for independent structural integrity under fire conditions;

which pierces or rises to the underside of the roof and which pierces or extends to the inner side of the exterior wall shall be considered separate buildings. Accessibility between buildings with independent walls or through masonry, party walls described above shall be protected by at least a Class A Fire Door installed in a masonry wall section.

### 110. NEW HOME DISCOUNT AND RENOVATION DISCOUNT

Forms **HO 00 02** and **HO 00 03** - New dwellings (excluding Double-Wide Mobile Homes) are eligible for a discount credit.

- A. The New Home Discount credit will apply to dwellings no more than eight years of age.

New Home - Age in Years	0-1	2	3	4	5	6	7	8
Amount of Credit	22%	20%	16%	12%	9%	6%	3%	1%

To determine the dwelling age, subtract the year of construction from the present year. All dwellings will be deemed to have advanced one year in age on January 1 of each year.

The New Home credit shall apply as shown in the Premium Computations pages.

- B. The Renovation Discount credit will apply to dwellings more than eight years of age which have been substantially renovated. If more than one renovation feature is completed, the credits are added together to determine the overall credit.

#### Age of Feature in Years

Renovation Feature	0-1	2	3	4
Central Heating System Credit	4%	3%	2%	1%
Total Electrical System Credit (to include ALL interior wiring)	5%	3%	2%	1%

To determine the Age of Feature, subtract the year in which the feature was installed from the present year. All features would be deemed to have advanced one year in age on January 1 of each year. To qualify for any of the Renovation Credits, complete the underwriting information on the premises section on the Homeowners electronic application. The **entire** electrical system must be updated to conform to current local codes. A new central heating unit is required to qualify for the central heating system credit.

These credits shall apply as shown in the Premium Computations pages.

# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

### PART II SERVICING TYPE RULES

#### 201. POLICY PERIOD

The policy may be written for a period of one year and may be extended for successive policy periods by extension certificate based upon the premiums, forms and endorsements then in effect for the company.

#### 202. CHANGES OR CANCELLATIONS

##### A. Pro Rata Calculation

Compute return premium pro rata and round to the nearest whole dollar when a policy is cancelled:

1. At the company's request; or
2. Because the insured no longer has a financial or insurable interest in the property or business operation that is the subject of insurance; or
3. If rewritten in the same company or company group.

##### B. Flat Cancellation

The entire premium paid for the policy is returned to the named insured(s) if the policy is flat cancelled. A policy is considered a flat cancellation if:

1. A signed request from the named insured(s) or authorized signer has been received within 30 days of issuance of policy, or
2. The complete policy is returned to the company within 30 days of issuance with a signed written notation from the named insured(s) or authorized signer.

##### C. Cancellation by the insured

We must have written evidence of the insured's intent to cancel, which can be in the form of:

1. Policy returned to the company with a signed written notation from the named insured(s) or authorized signer written on or attached to it indicating cancellation date; or
2. Completed ACORD Cancellation Request/Policy Release form signed by the named insured(s) or authorized signer; or
3. Signed request by the named insured(s) or authorized signer which includes the policy number and the cancellation date.

The Company agents are not authorized to cancel policies by direct notice. It is necessary for the agents to provide written evidence of cancellation from the named insured(s) or authorized signer as outlined above.

##### D. Cancellation by the Company

The cancellation will be by direct notice to the named insured(s).

The policy must be cancelled in accordance with the terms of the state cancellation provisions that apply.

##### E. Lapses for Non-payment

For insureds whose policies have lapsed for more than 30 days, a new application must be submitted and new business rates and rules will apply. On the third lapse or cancellation for nonpayment of premium in a two-year experience period, reissue of the policy will not be allowed.

#### 203. MANUAL PREMIUM REVISION

A manual premium revision shall be made in accordance with the following procedures:

- A. The effective date of such revision shall be as announced.
- B. The revision shall apply to any policy or endorsement in the manner outlined in the announcement of the revision.
- C. Unless otherwise provided at the time of the announcement of the premium revision, the revision shall not affect in-force policy forms, endorsements or premiums, until the policy is renewed.

#### 204. RESERVED FOR FUTURE USE.

# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

### 205. MINIMUM PREMIUM

- A. The minimum ANNUAL premium shown on the state rate pages shall be charged for each policy.
- B. The minimum premium may include all chargeable endorsements or coverages if written at inception of the policy.

### 206. TRANSFER OR ASSIGNMENT

The company will not assign or transfer a policy to a new owner. A new application must be submitted. The return premium due the former owner will be computed pro rata.

### 207. WAIVER OF PREMIUM

When a policy is endorsed after the inception date, refer to the state rate pages for the amount of additional or return premium that may be waived.

### 208. WHOLE DOLLAR PREMIUM RULE

Each premium shown on the policy and endorsements shall be rounded to the nearest whole dollar. A premium of fifty cents (\$.50) or more shall be rounded to the next higher whole dollar.

This rule does apply to cancellations or amendments.

### 209. RESTRICTION OF INDIVIDUAL POLICIES

If a policy would not be issued because of unusual circumstances or exposures, the named insured may request a restriction of the policy provided no reduction in the premium is allowed. Such requests shall be referred to the company. This endorsement is to be used primarily as a temporary restriction when the exclusion is being applied to the primary dwelling. Use Endorsement **HO 45A** - Exclusion Endorsement.

### 210. RESERVED FOR FUTURE USE.

### 211. ADDITIONAL INTEREST

- A. In addition to the mortgagee(s) shown in the Declarations or elsewhere in the policy, other persons or organizations may have an insurable interest in the residence premises. When coverage is **not** provided to such person or organizations under Additional Insured Endorsement **HO 04 41** or its equivalent, their interest in the residence premises may be acknowledged by naming them in the endorsement referenced in Paragraph **D**.
- B. Such persons or organizations are entitled to receive notification if the policy is canceled or nonrenewed by the insurer.
- C. No additional charge is made for the use of this endorsement.
- D. Use Additional Interest Residence Premises Endorsement **HO 04 10**.

# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

### PART III PREMIUM COMPUTATION RULES

#### 301. PREMIUM COMPUTATION

For premium computation procedures see the Premium Computation pages.

#### 302. - 305. RESERVED FOR FUTURE USE.

#### 306. SUPPLEMENTAL WOOD HEATING STOVE

When the Dwelling or outbuilding is equipped with a supplemental wood heating stove, add a flat \$50.00 charge per policy.

#### 307. COMPANION POLICY DISCOUNT

A 14% discount will apply on a Homeowners Policy when the named insured is also the named insured on a Cameron Mutual or Cameron National Personal Auto Policy.

If the Personal Auto Policy is cancelled or not renewed, the 14% Companion Policy Discount will be removed at the next Homeowners Policy renewal. The discount is computed using a Companion Policy Discount factor of .86

#### 308. ADMINISTRATION OF RISK INDEXING AND ASSOCIATED RATING TIER

Apply the Risk Index factor as shown in the Premium Computations pages.

Refer to Rule 308. in the state rate pages for the Risk Index factor chart.

##### A. New Business

1. Initial information necessary to obtain a Risk Index and assign the proper Rating Tier shall be obtained from an application signed personally by the applicant.
2. The signature of the applicant on all applications received from an agent, broker or solicitor shall be certified by such agent, broker or solicitor.

##### B. Renewal Business

Information necessary to obtain a Risk Index and assign the proper Rating Tier shall be determined from any one or combination of the following:

1. the company's own records;
2. an application signed by the applicant and producer.

##### C. Claim(s) Experience Re-Tiering

Households which have incurred the following non weather related claims will be subject to a re-scoring of the Risk Index:

1. Total damage to all property which is paid or expected to be paid in the amount of more than \$2,000. (If the household is free of non weather related claims which are paid or expected to be paid in the amount greater than \$2,000 for 36 months, then the rule does not apply.)
2. Two or more non weather related claims during the experience period with total damage to all property \$2,000 or less for each claim payout. (If the household is free of non-weather related claims which are paid or expected to be paid in the amount of \$2,000 or less for 36 months, then this rule does not apply.)

Any change in the Rating Tier which results from this re-indexing will be effective at the next renewal; provided, however, that if a household incurs a non weather related claim during a policy period for which the renewal has already been processed at the time of the non-weather related claim the policy will be re-indexed at the following renewal.



# **HOMEOWNERS POLICY PROGRAM MANUAL**

## **GENERAL RULES**

### **D. Risk Index changes**

1. Each individual policy will be scored at the policy's index date. The "index date" is the latest to occur of the following:
  - a. the initial date assigned to the policy on or after September 1, 2008 in which an initial Risk index was obtained;
  - b. the date assigned to the policy as a result of rule 308. C. that resulted in a Risk Index being generated; or
  - c. the date of the latest Risk Index on record.
2. A new Risk Index will be obtained no less than 12 months and no more than 36 months after the "index date".
3. The Rate Tier changes associated with a new "index date" and Risk Index will only be implemented for those policies that would improve tiers as a result of the new Risk Index (receive a lower rate).
4. Rating Tier changes will be limited to a two Rating Tier improvement per renewal as a result of a re-score.
5. Rule 308.D.2. and 308. D.3. will not apply to re-scoring under rule 308. C.

# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

### PART IV

#### ADJUSTED BASE PREMIUM COMPUTATION FACTORS

##### 401. SUPERIOR CONSTRUCTION

The premium for a dwelling or apartment unit in a building of superior construction is computed as shown in the Premium Computation pages using a Superior Construction factor of .85. The masonry construction factor is applied in the rate calculations.

##### 402. TOWNHOUSE OR ROW HOUSE - ALL FORMS EXCEPT HO 00 04 and HO 00 06

The premium for an eligible one- or two-family dwelling in a town or row house structure is computed as shown in the Premium Computation pages using the appropriate factor below.

Total No. of Individual Family Units Within the Fire Division*	No. of Family Code	Protection Classification	
		1-8	9 and Over
1 and 2	(1 and 3)	1.00	1.00
3 and 4	(2)	1.10	1.15
5 - 8	(4)	1.25	1.30

\* An eligible two-family owner-occupied dwelling attached to a one-family dwelling but not separated by a firewall would be considered three individual family units within a fire division. Four two-family dwellings not separated by a firewall would be considered eight individual family units.

##### 403. PERSONAL PROPERTY (COVERAGE C) REPLACEMENT COST LOSS SETTLEMENT

A. The premium to extend the limit of liability for Coverage C to include Replacement Cost Coverage is computed as shown in the Premium Computation pages using the appropriate factor below.

All Forms except <b>HO 00 04</b> and <b>06</b>	1.15
<b>HO 00 04</b> or <b>HO 00 06</b>	1.35

B. Replacement Cost Coverage also applies to articles or classes of property separately described and specifically insured in this policy, as listed in the Scheduled Personal Property endorsement.

Use Endorsement **HO 04 90** Personal Property Replacement Cost Loss Settlement.

C. Scheduled Personal Property

1. When the Scheduled Personal Property Endorsement **HO 04 61** is attached to a policy with Endorsement **HO 04 90**, the following property, if scheduled, will also be subject to repair or replacement cost loss settlement up to the scheduled limit of liability:

- Jewelry;
- Furs and garments trimmed with fur or consisting principally of fur;
- Cameras, projection machines, films and related articles of equipment;
- Musical equipment and related articles of equipment;
- Silverware, silver-plated ware, goldware, gold-plated ware and pewterware, but excluding pens, pencils, flasks, smoking implements or jewelry; and
- Golfer's equipment meaning golf clubs, golf clothing and golf equipment.

# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

2. Since the loss settlement condition in Endorsement will pay the insured the least of the:
- a. Actual cash value of the property sustaining loss;
  - b. The amount for which the property could be repaired or replaced; or
  - c. The amount of insurance of the property sustaining loss;
- the limit of liability that applies to each scheduled item should be carefully evaluated to ensure that the limit selected by the insured represents the cost to replace the item if lost or damaged beyond repair.

### 404. PROTECTIVE DEVICES

Approved and properly maintained installations of burglar alarms, fire alarms and smoke detectors in the dwelling may be recognized for a reduced premium - computed as shown in the Premium Computation pages using the selected factors below.

To qualify for any of the Protective Device Credits, submit a copy of the purchase invoice containing a description of the device installed and the name of the manufacturer. To maintain Protective Device Credits, a copy of the renewal contract with the company providing alarm services must be submitted to Cameron Mutual every **three** years prior to the renewal of the Homeowners Policy. Smoke detectors and local alarms are excluded from this requirement.

Type of Installation	Factor
Central Station Reporting Burglar Alarm	.95
Central Station Reporting Fire Alarm	.95
Police Station Reporting Burglar Alarm (Dedicated)	.97
Fire Department Reporting Fire Alarm (Dedicated)	.97
Local Burglar Alarm	.98
Local Fire Alarm	.98
Smoke Detectors on each dwelling level *	.98

Use Endorsement **HO 04 16** Premises Alarm or Fire Protection System.

#### NOTE:

Central Station Reporting is a system of electrical protection circuits and devices which are signaled automatically to and recorded in a central station having trained operators and guards in attendance at all times. Guards, local police, or fire departments are dispatched to make immediate investigation of protected property from which signals are received. The system is maintained and supervised from the central station.

Police Station Reporting or Fire Department Reporting is a system in which a local premises alarm is provided with supplementary transmitting equipment so that when actuated, a signal is also communicated to police headquarters or to a fire station, as appropriate.

Local Burglar Alarm or Local Fire Alarm System consists of an electrically actuated alarm located on the outside of the dwelling.

A Smoke Detector is defined as a battery and/or household current powered device that senses smoke using either ionization or photoelectric detection and actuates an audible alarm.

- \* Smoke Detector discount is not available for the Preferred Homeowners Program. Smoke Detectors on each dwelling level is a requirement for eligibility into the Preferred Homeowners Program.

### 405. RESERVED FOR FUTURE USE

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### 406. DEDUCTIBLES

All policies are subject to a deductible that applies to loss from all Section I perils.

#### A. Base Deductible

\$1,000 deductible for all perils.

#### B. Optional Lower Deductible

\$500 deductible for all perils.

Compute as shown in the Premium Computation pages using the appropriate factor below.

#### C. Optional Higher Deductibles

All Perils deductibles - all forms.

Compute as shown in the Premium Computation pages using the appropriate factor below.

Deductible Amount	\$500	\$1,000	\$1,500	\$2,500	\$5,000
Coverage A (or <b>HO 00 04</b> and <b>HO 00 06</b> , Coverage C) – \$250,000 or less	1.25	1.00	.80	.70	.60
Coverage A (or <b>HO 00 04</b> and <b>HO 00 06</b> , Coverage C) – In excess of \$250,000	1.25	1.00	.88	.78	.68

### 407. SPECIFIED ADDITIONAL AMOUNT OF INSURANCE FOR COVERAGE A ONLY

Form **HO 00 03** ONLY

The Coverage A-Dwelling limit of liability should be maintained at 100% of replacement cost as determined by construction evaluations and/or inflation estimates as well as from the information required of the insured.

The insured must notify the company, within 30 days of completion, of any alterations to the dwelling which increase the replacement cost of the dwelling by 5% or more.

Eligibility requirements:

1. Dwelling must be a one-family home and insured to 100% of replacement cost.
2. Dwelling must be located within an area receiving a Public Protection classification 8 or better.
3. Coverage C Replacement Cost must be written in conjunction with Coverage A - Dwelling Replacement Cost.
4. Not eligible are dwellings of unique construction or built from materials that cannot be duplicated because of their unique or artistic characteristics.
5. Quality of construction must be average standard or better.
6. Recovery under this endorsement will be limited to 25% above the Coverage A limit shown on the declaration in effect at the time of loss.

Charge the additional rate shown in the state rate pages.

Use Endorsement **HO 04 20C** Specified Additional Amount of Insurance for Coverage A - Dwelling.

Note: For **Arkansas** use Endorsement **HO 23 47C** Excess Dwelling Coverage – Arkansas (Specified Additional Amount of Insurance for Coverage A – Dwelling).

### 408. ACTUAL CASH VALUE LOSS SETTLEMENT - WINDSTORM OR HAIL LOSSES TO ROOF SURFACING

**Missouri Only** – See Missouri Exception Page **HO-MO-EX-1**

Note: For **Arkansas** this rule does not apply

# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

### PART V

#### SECTION I – PROPERTY – ADDITIONAL COVERAGES AND INCREASED LIMITS RULES

##### 501. RESERVED FOR FUTURE

##### 502. BUILDING ADDITIONS AND ALTERATIONS - INCREASED LIMIT - HO 00 04

The limit of liability of 10% of Coverage C may be increased. Develop the premium per \$1,000 of insurance as shown in the Premium Computation pages

Use Endorsement **HO 04 51** Building Additions and Alterations Increased Limits.

##### 503. BUSINESS PROPERTY - INCREASED LIMITS

###### A. On-premises

1. The \$2,500 limit of liability for business property on the residence premises may be increased to \$10,000 in increments of \$2,500 as shown in the Premium Computation pages. Charge the rate for each \$2,500 increase shown in the state rate pages.
2. The limit of liability in excess of \$2,500 does not apply to:
  - a. Business property in storage or held as a sample or for sale or delivery after sale;
  - b. Business property pertaining to a business actually conducted on the residence premises.
3. The property described in Paragraphs 2.a. and 2.b. are covered under the Endorsement **HO 04 42** - Permitted Incidental Occupancies – Residence Premises

###### B. Off-premises

When the on-premises limit is increased, the off-premises limit \$1,500 is automatically increased, at no additional charge, to an amount that is 60 percent of the total on-premises limit of liability.

Use Endorsement **HO 04 12** Increased Limits on Business Property.

##### 504. CREDIT CARD, ELECTRONIC FUND TRANSFER CARD OR ACCESS DEVICE, FORGERY AND COUNTERFEIT MONEY

The limit of \$500 may be increased. Charge the additional rate shown on the state rate pages.

Use Endorsement **HO 04 53** Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money Coverage Increased Limit.

##### 505. RESERVED FOR FUTURE USE

##### 506. FIRE DEPARTMENT SERVICE CHARGE

The limit of \$500 may be increased. Charge the additional premium shown in the state rate pages.

##### 507. FORM HO 00 06 COVERAGE A DWELLING BASIC AND INCREASED LIMITS AND SPECIAL COVERAGE - HO 00 06

###### A. Basic Limits

The policy automatically provides a basic Coverage A limit of \$5,000 on a named perils basis. If increased limits are not desired, enter "\$5,000" under Coverage A - Dwelling on the Declarations pages.

## **HOMEOWNERS POLICY PROGRAM MANUAL**

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#### **B. Increased Limits**

The basic limit may be increased. The premium is developed based on the additional limit of insurance. The premium for each additional \$1,000 of insurance is developed as shown in the Premium Computation pages.

#### **C. Special Coverage**

The Section I Perils Insured Against may be broadened to cover additional risks of loss. The additional premium is developed as shown on the state rate page.

Use Endorsement **HO 17 32** Unit-Owners Coverage A - Special Coverage.

#### **508. - 509. RESERVED FOR FUTURE USE**

#### **510. PERMITTED INCIDENTAL OCCUPANCIES RESIDENCE PREMISES**

**A.** Coverage for a permitted incidental occupancy is limited under Section I and excluded under Section II. The policy may be endorsed to provide expanded Section I Coverage and Section II Coverage on a permitted incidental occupancy in the dwelling or in another structure on the residence premises.

#### **B. Permitted Incidental Occupancies**

Examples of such occupancies are offices, schools or studios meaning offices for business or professional purposes, and private schools or studios for music, dance, photography and other instructional purposes.

**C.** If the permitted incidental occupancy is located in another structure, Coverage B does not apply to that structure. See E. below, for charge for specific insurance on the structure.

**D.** The Permitted Incidental Occupancies endorsement also covers personal property pertaining to the permitted incidental occupancy within the Coverage C limits stated in the declarations. If increased Coverage C limits are desired, see Rule 515.A.

#### **E. Premium**

##### **1. Section I**

- a.** If the permitted incidental occupancy is located in the dwelling, no additional charge is made.
- b.** If the permitted incidental occupancy is located in another structure, charge the amount shown in the state rate pages per \$1,000 of specific insurance on the structure.

##### **2. Section II**

Refer to Rule 608. in the state rate pages to develop the premium for the Coverages E and F exposures.

Use Endorsement **HO 04 42** - Permitted Incidental Occupancies - Residence Premises, for Sections I and II Coverage.

#### **511. SUPPLEMENTAL LOSS ASSESSMENT COVERAGE**

#### **A. Residence Premises**

##### **1. Coverage Description**

The policy automatically provides, under Section I Additional Coverage and Section II Additional Coverage, a limit of \$1,000 each for assessments relating to the residence premises.

##### **2. Higher Limits**

The policy may be endorsed to provide a single additional amount of insurance to be applied to one or more assessments arising out of a single loss covered under:

- a.** Either Section I Additional Coverage or Section II Additional Coverage; or
- b.** Both Section I and Section II Additional Coverages.

##### **3. Premium**

Refer to the state rate pages for the additional charge.

# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

### B. Additional Locations

#### 1. Coverage Description

- a. The policy may be endorsed to provide loss assessment coverage pertaining to additional locations for the insured's share of loss assessments arising out of a single loss covered as noted in Paragraph **A.2**.
- b. No more than two additional locations can be written in addition to the residence premises.

#### 2. Premium

Refer to the state rate pages for the additional rates which apply to each location covered.

### C. Endorsement

Use Supplemental Loss Assessment Coverage Endorsement **HO 04 35**.

### 512. LOSS OF USE - INCREASED LIMIT

When the limit of liability for Coverage D is increased, charge the rate per \$1,000 of additional insurance shown in the state rate pages.

### 513. RESERVED FOR FUTURE USE

### 514. OTHER STRUCTURES

#### A. When insurance is written on a specific structure on the residence premises for:

1. increased limits, or
  2. rented to others for residential purposes,
- the rates per \$1,000 of insurance mentioned below shall apply separately to each structure.

#### B. Increased Limits

Premium: Refer to state rate pages.

Use Endorsement **HO 04 48** Other Structures on the Residence Premises.

#### C. Rented to Others - Residence Premises

This endorsement is intended to be used to cover a separate dwelling on the residence premises rented to others. This endorsement removes the liability exclusions that apply to rented structures.

Use the sum of:

1. the rate per \$1,000 of insurance shown in the state rate pages, **and**
2. the premium for the increased Coverage E and F exposure, as developed from the Section II rules of this manual. (Refer to rule 605. for rating Section II coverage ).

Use Endorsement **HO 04 40** Structures Rented to Others - Residence Premises.

#### D. Off-Premises Structures

1. Under Forms **HO 00 02** and **HO 00 03**, the policy automatically provides Coverage B - Other Structures at 10% of Coverage A on a blanket basis to structures located on the residence premises.

This blanket coverage may be endorsed to expand coverage to include structures located away from the residence premises if used in connection with the residence premises.

Charge the rate shown on the state rate pages.

Use Endorsement **HO 04 91** Coverage B - Other Structures Away From the Residence Premises.

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### GENERAL RULES

2. All forms - When insurance is written on a specific structure located on or away from the residence premises, the rate per \$1,000 of insurance shown in the state rate pages shall apply separately to each location.

Use Endorsement **HO 04 92C** Specific Structures On or Away From Residence Premises.

**Note:** All farm structures must be placed on the Specific Structures on or Away From Residence Premises Endorsement **HO 04 92C**.

#### 515. PERSONAL PROPERTY

##### A. Increased Limit

The limit of liability for Coverage C may be increased. Charge the additional rate per \$1,000 of insurance shown in the state rate pages.

##### B. Increased Limit - Other Residences

Coverage for personal property usually located at other residences is limited in the policy form to 10% of Coverage C or \$1,000, whichever is greater. This limit may be increased. Charge the additional rate per \$1,000 shown in the state rate pages.

Use Endorsement **HO 04 50C** Amount of Insurance for Personal Property at Other Residences.

##### C. Increased Limit – Self-storage Facilities

1. Coverage for personal property located in self-storage facilities is limited in the policy form to 10% of Coverage C, or \$1,000, whichever is greater. This limit may be increased.
2. Charge the additional company rate per \$1,000 shown in the state rate pages.

Use Endorsement **HO 06 14C** Amount of Insurance for Personal Property Located in a Self-storage Facility.

##### D. Reduction in Limit

The limit of liability for Coverage C may be reduced to an amount not less than 40% of the limit for Coverage A. The credit per \$1,000 is shown in the state rate pages.

##### E. Increased Special Limits of Liability

###### 1. Jewelry, Watches and Furs

The special limit of liability of \$1,500 for theft of jewelry, watches and furs may be increased to a maximum of \$6,500 but not exceeding \$1,000 for any one article. Charge the additional rate per \$1,000 shown in the state rate pages.

###### 2. Money and Securities

The special limit of liability of \$200 on money may be increased to a maximum of \$1,000. The \$1,500 limit on securities may be increased to a maximum of \$3,000. Charge the additional rate per \$100 shown in the state rate pages.

###### 3. Silverware, Goldware and Pewterware

The special limit of liability of \$2,500 for loss by theft of silverware, etc., may be increased to a maximum of \$10,000 in increments of \$500. Charge the additional rate per \$500 shown in the state rate pages.

###### 4. Firearms

The special limit of liability of \$2,500 for loss by theft of firearms may be increased to a maximum of \$6,500 in increments of \$100. Charge the additional rate per \$100 shown in the state rate pages.

###### 5. Portable Electronic Equipment

The special limit of liability of \$1,500 for loss by theft of portable electronic equipment in or upon a motor vehicle, may be increased to a maximum of \$6,000 in increments of \$500. Charge the additional rate per \$500 shown in the state rate pages.

Use Endorsement **HO 04 65** Coverage C Increased Special Limits of Liability.



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### GENERAL RULES

#### **F. Refrigerated Personal Property**

1. The policy may be endorsed to provide \$500 of coverage for covered property stored in freezers or refrigerators on the residence premises for loss caused by power service interruption or mechanical failure.
2. A deductible of \$100 applies.
3. Charge the additional rate shown on the state rate pages.

Use Endorsement **HO 04 98** Refrigerated Property Coverage.

#### **516. SCHEDULED PERSONAL PROPERTY**

Coverage may be provided on scheduled personal property against all risks of physical loss with certain exceptions. This form is the **only** form available for specifically scheduling items of personal property. The **only** classes of personal property which may be scheduled are: Jewelry, Furs, Cameras, Musical Instruments, Silverware, Golfer's Equipment (not Golf Carts) and Fine Arts.

Stamp and Coin Collections are unacceptable. Other unacceptable collections include, but are not limited to, the following: Sports apparel or trading cards, comic books, Avon items, paperback books, dolls, Christmas ornaments, antique toys, and arrowheads.

Musical instruments used professionally are unacceptable. Professional use is defined as a person who receives more than \$2,500 a year by using the covered property.

On items of jewelry or furs that are valued over \$2,000 a current (within five years) appraisal is necessary. An updated appraisal will be required every five years on existing policies.

A jewelry appraisal must contain the following:

1. color and clarity;
2. cut;
3. flaws;
4. size of stones;
5. type of mounting; and
6. insured's name and address.

All other items or classes of personal property **must** be insured on a separate Inland Marine Policy.

Charge the rate shown on the state rate pages. No deductible applies.

Use Endorsement **HO 04 61** Scheduled Personal Property.

#### **517. - 518. RESERVED FOR FUTURE USE**

#### **519. SPECIAL COMPUTER COVERAGE ALL FORMS**

The policy may be endorsed to insure computers and related equipment against additional risks of physical loss subject to certain exclusions. Charge the additional rate shown in the state rate pages.

Use Endorsement **HO 04 14** Special Computer Coverage.

#### **520. RESERVED FOR FUTURE USE**

#### **521. LIMITED WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW COVERAGE**

**UNAVAILABLE ON RISKS WHERE A WATER BACK-UP OR SUMP OVERFLOW LOSS HAS BEEN INCURRED IN THE PAST 3 YEARS.**

- A. The policy may be endorsed to provide coverage for loss resulting from water which backs up through sewers or drains or which overflows from a sump. The aggregate annual limit of liability available under this option is \$10,000.
- B. A deductible of \$1,000 applies. No other deductible option is available.
- C. Premium: Refer to state rate pages.

Use Endorsement **HO 04 95C** Limited Water Back Up and Sump Discharge or Overflow Coverage.

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## HOMEOWNERS POLICY PROGRAM MANUAL

### GENERAL RULES

#### 522. RESERVED FOR FUTURE USE

#### 523. ASSISTED LIVING CARE COVERAGE

##### A. Introduction

The policy provides coverage to named insureds and resident relatives who are members of the insured's household.

##### B. Coverage Description

1. The policy may be endorsed to provide personal property, additional living expense and personal liability coverage to a person regularly residing in an Assisted Living Care facility, provided such person:
  - a. Is related to an insured by blood, marriage or adoption; and
  - b. Is not a member of that insured's household.
2. An assisted living care facility is a facility that provides assisted living services such as dining, therapy, medical supervision, housekeeping and social activities. It is not a hospice, prison or rehabilitation facility.
3. The endorsement provides the following basic limits of coverage:
  - a. \$10,000 for Coverage C – Personal Property with limitations ranging from \$100 to \$500 for certain items of property;
  - b. \$6,000, at \$500 per month, for Additional Living Expenses; and
  - c. \$100,000 for Coverage E – Personal Liability.

C. Premium: Refer to state rate pages.

Use Endorsement **HO 04 59** Assisted Living Care Coverage.

#### 524. OTHER MEMBERS OF A NAMED INSURED'S HOUSEHOLD

##### A. Introduction

The policy provides coverage to named insureds, resident relatives who are members of the insured's household and persons under the age of 21 who are in the care of an insured.

##### B. Coverage Description

1. The policy may be endorsed to provide coverage to a person who is a member of the named insured's household but does not fall under the definition of insured in the policy. It does not cover a guest, residence employee, roomer, boarder or tenant. Coverage extends to the person named in the endorsement, and a person under the age of 21 who is in the legal custody of that person
2. All coverages and provisions under Sections **I** and **II** of the policy that apply to insureds also apply to the persons described in Paragraph **1.** except Coverages **A**, **B** and **D** (Fair Rental Value only).

C. Premium: Refer to state rate pages.

Use Endorsement **HO 04 58** Other Members of Your Household.

#### 525. OWNED MOTORIZED GOLF CART – PHYSICAL LOSS COVERAGE

The policy may be endorsed to provide \$4,000 Actual Cash Value coverage for physical loss (including collision) to a motorized golf cart, including permanently installed accessories, equipment and parts, owned by an insured. **Make, Model and Serial or Motor Number for each cart will be required.**

Also covered, for an amount equal to 10% of the limit of the cart, are accessories, equipment or parts designed or made solely for the cart that are not permanently installed provided such property is on an insured's residence or in or upon the cart off the insured's residence at the time of loss.

## HOMEOWNERS POLICY PROGRAM MANUAL

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Eligibility requirement:

1. To be eligible for coverage, the motorized golf cart shall be of the type designed to carry up to four people on a golf course for the purpose of playing golf and shall not have been built, or modified after manufacture, to exceed a speed of 25 m.p.h. on level ground;
2. For coverage to apply, the motorized golf cart must not be:
  - a. operated in, or practicing for, any prearranged or organized race, speed contest or similar competition;
  - b. rented to others;
  - c. used to carry persons or cargo for a charge; or
  - d. used for any "business" purpose except while on a golfing facility.

A deductible amount of \$250 applies separately to each insured golf cart and separately to Section I Property Coverages if not in or upon an insured golf cart at the time of loss.

Rate each cart separately. Charge the additional rate shown in the state rate pages.

Use Endorsement **HO 05 28C** Owned Motorized Golf Cart Physical Loss Coverage.

#### 526. RESIDENCE HELD IN TRUST – ALL FORMS EXCEPT HO 00 04

##### A. Coverage

A Homeowners Policy may be endorsed to insure a trustee, and if applicable, a trust:

1. Under Section **I** – Property Coverages, for any insurable interest in the dwelling or other structure held in trust; and
2. Under Section **II** – Liability Coverages, for bodily injury or property damage liability arising out of the ownership, maintenance or use of an insured location held in trust.

##### B. Endorsement

1. Use Endorsement **HO 06 15** Trust Endorsement (**Arkansas** only).

**Note:** For **Missouri** see Missouri State Exception page rule 526.B.

The following must be shown in the endorsement:

- a. The name and address of the Trust; and
- b. The name and address of the trustee(s).
2. The Trust may also be listed as an Insured if the Trust can be recognized under applicable state law as a legal entity with the capacity to sue or be sued in a court having jurisdiction.

- C. No additional charge is made for the use of this endorsement.

#### 527. - 530. RESERVED FOR FUTURE USE

#### 531. BUILDERS' RISK THEFT (Applies to Dwelling Risks Only)

Covers plumbing, heating, building materials and equipment and light fixtures as are usual to the construction of a dwelling, against loss by theft. Refer to the state rate pages for the appropriate rate.

Use Endorsements **F 070** Builders' Risk Theft and **F 004** Provisional Limit for Building(s) Under Construction.

## HOMEOWNERS POLICY PROGRAM MANUAL

### GENERAL RULES

#### 532. HOBBY FARM ENDORSEMENT

Forms **HO 00 02** and **HO 00 03** ONLY

The policy may be extended to cover exposures usual and incidental to a Hobby Farm operation. This endorsement provides the following additional coverages:

1. \$10,000 in the aggregate on buildings not covered under Coverage B.
2. \$10,000 in the aggregate on covered property.

Please see the actual endorsement for coverages, definitions and limitations.

Charge the additional rate shown in the state rate pages.

Use Endorsement **HO 220C** Hobby Farm endorsement.

# HOMEOWNERS POLICY PROGRAM MANUAL

## GENERAL RULES

### PART VI

### SECTION II – LIABILITY – ADDITIONAL COVERAGES AND INCREASED LIMITS RULES

#### 601. RESIDENCE PREMISES - BASIC AND INCREASED LIMITS/OTHER EXPOSURES - BASIC LIMITS

##### A. Residence Premises

1. Minimum limits of liability for Coverage E (Personal Liability) and Coverage F (Medical Payments to Others) are shown in Rule 101. The premium for these limits is included as shown in the Premium Computation pages.
2. Refer to the state rate pages Rule 601. for increased limits rates.
3. If increased limits are written, then the same limits must apply to any Other Exposures covered under the policy, unless otherwise stated.

##### B. Other Exposures

1. There is an additional charge for Other Exposures listed in the following rules.
2. The minimum limits for Other Exposures are the same as the limits for the Residence Premises, unless otherwise indicated.
3. For increased limits rates refer to the state rate pages.
4. If increased limits are written, then the same limits must apply to the Residence Premises, unless otherwise stated.

#### 602. OTHER INSURED LOCATION OCCUPIED BY INSURED

- A. Section II coverage may be provided on one- or two-family dwelling locations, other than the residence premises, where an insured resides, but which are insured for Section I coverage under another insurance program or by another company.
- B. Make the appropriate charge for each other insured location shown in the declarations of this policy. If the insured location is in another state in which the Company is authorized to conduct business, refer to the manual for that state.
- C. Premium: Refer to the state rate pages.

#### 603. RESIDENCE EMPLOYEES

- A. There is no additional charge for up to two residence employees.
- B. Refer to the state rate pages to determine the premium when there are more than two residence employees.
- C. Charges do not apply to employees working less than half of the customary full time or to whom workers' compensation exclusion applies as stated in Section II of the policy.

#### 604. ADDITIONAL RESIDENCE RENTED TO OTHERS

- A. The policy may be endorsed to provide coverage when an additional residence is rented to others.
- B. Premium: Refer to state rate pages.

Use Endorsement **HO 24 70** Additional Residence Rented to Others.

#### 605. OTHER STRUCTURES RENTED TO OTHERS - RESIDENCE PREMISES

- A. The policy may be endorsed to provide coverage when a structure on the residence premises is rented to others for dwelling purposes.
- B. Refer to Rule 514.C. for rating Section I Coverage.
- C. Premium: Refer to state rate pages.

Use Endorsement **HO 04 40** Structures Rented to Others - Residential Premises.

#### 606. - 607. RESERVED FOR FUTURE USE

## **HOMEOWNERS POLICY PROGRAM MANUAL GENERAL RULES**

### **608. PERMITTED INCIDENTAL OCCUPANCIES - RESIDENCE PREMISES AND OTHER RESIDENCES**

**A.** The policy may be endorsed to provide coverage for the increased exposure arising from a permitted incidental occupancy on the residence premises or in another residence occupied by the insured.

**1.** Residence Premises

Use Endorsement **HO 04 42** Permitted Incidental Occupancies - Residence Premises.

**2.** Other Residence

Use Endorsement **HO 24 43** Permitted Incidental Occupancies - Other Residence.

**B.** Premium: Refer to state rate pages.

### **609. BUSINESS PURSUITS**

**A.** The policy may be endorsed to provide coverage for the liability of the insured arising out of business activities such as teachers, clerical office employees, sales persons, collectors or messengers. Coverage is excluded if the insured owns the business, is a partner or maintains financial control in the business.

**B.** Refer to the state rate pages for eligible business activities and rates.

Use Endorsement **HO 24 71** Business Pursuits.

### **610. PERSONAL INJURY COVERAGE**

**A.** Liability coverage for personal injury to others, such as false arrest, libel or invasion of privacy, may be added to the policy.

**B.** Premium: Refer to state rate pages.

Use Endorsement **HO 24 82** Personal Injury.

Note: For **Arkansas** use Endorsement **HO 24 26** Personal Injury.

### **611. INCIDENTAL LOW POWER RECREATIONAL MOTOR VEHICLES**

**A.** The policy may be endorsed to provide coverage when certain motorized land conveyances, with a 15 m.p.h. maximum attainable speed are not subject to motor vehicle registration.

**B.** The following may not be covered:

- 1.** motorized bicycles;
- 2.** motorized golf carts;
- 3.** mopeds; or
- 4.** Motorized scooters.

**C.** Read the endorsement for conditions of coverage applying to eligible conveyances.

**D.** Premium: Refer to state rate pages.

Use Endorsement **HO 24 13** Incidental Low Power Recreational Motor Vehicle Liability Coverage.

### **612. OUTBOARD MOTORS AND WATERCRAFT**

**A.** Coverage is included in the policy form, at no additional charge, for watercraft powered by an outboard engine or motor or combination of outboard engines or motors of up to 25 horsepower, and sailboats less than 26 feet in overall length with or without auxiliary power. Coverage is also included for watercraft powered by inboard or inboard-outdrive engines or motors, including those that power a water jet pump, of 50 horse power or less when not owned by an insured or more than 50 horse power when not owned by or rented to an insured.

## **HOMEOWNERS POLICY PROGRAM MANUAL**

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**B.** Coverage is available, for an additional premium, for the following:

- 1.** Watercraft, up to 26 feet in length powered by outboard engines or motors exceeding 25 horsepower, inboard or inboard-outdrive engines or motors including those that power a water jet pump. No single motor may exceed 200 horsepower.

Accumulate total horsepower if two or more engines or motors are regularly used together with any single watercraft owned by insured. However, total accumulated horsepower cannot exceed 200.

- 2.** Sailboats 26 to 40 feet in overall length, with or without auxiliary power.

**C.** Coverage must be written to expiration of the policy. Premium shall be adjusted on a pro rata basis.

**D.** For boats not described above, as well as personal watercraft, coverage is not permitted under the Homeowners Policy.

**E.** The premium in the state where the insured's residence premises is located shall apply. However, if the insured owns another residence premises in a different state and principally operates the boat from that residence, apply the premium for that state.

**F.** Watercraft will not be acceptable if driver's record for violations and accidents exceed Personal Auto new business requirements.

**G.** Premium: Refer to the state rate pages.

Use Endorsement **HO 24 75** Watercraft.

#### **613. OWNED SNOWMOBILE**

**A.** The policy may be endorsed to provide coverage when a snowmobile is used off of the insured location.

**B.** Rate each snowmobile owned by the named insured or any other insured separately. This charge is the minimum annual premium for each snowmobile for any period within a policy year.

**C.** Premium: Refer to state rate pages.

Use Endorsement **HO 24 64** Owned Snowmobile

#### **614. RESERVED FOR FUTURE USE**

#### **615. INCIDENTAL FARMING PERSONAL LIABILITY**

**A.** The Incidental Farming Personal Liability option is required when the acreage exceeds 10 acres, however the total acreage at the residence premises and the locations specified in the endorsement may not exceed 80 acres.

**B.** The policy may be endorsed to provide coverage for the liability of the insured when farming and/or the sheltering and grazing of animals is conducted on the residence premises and is incidental to the use of the premises as a dwelling, and the income derived from these operations is not the insured's primary source of income.

**C.** The policy may also be endorsed to provide coverage for the liability of the insured whose incidental farming activities are conducted at the locations specified in the endorsement which are away from the residence premises. Such incidental farming activities may include the sheltering or grazing of the insured's animals, or use of the land as garden space if the income derived from such activities is not the insured's primary source of income.

**D.** Coverage is not available if the residence premises or the locations specified in the endorsement are used for racing purposes.

**E.** Farm employees employed in violation of law will be excluded from coverage. Endorsement **HO 24 96** Exclusion of Farm Employees Illegally Employed Endorsement is mandatory with the Incidental Personal Liability Farming option.

**F.** Premium: Refer to state rate pages.

Use Endorsement **HO 24 72** Incidental Farming Personal Liability.

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# HOMEOWNERS POLICY PROGRAM MANUAL

## EXCEPTION PAGES

### ARKANSAS

#### EXCEPTIONS TO GENERAL RULES

##### 106. PROTECTION CLASSIFICATION INFORMATION

If a reciprocal agreement is utilized to allow an insured an upgraded Public Protection classification, agents must document annual payment of assessments, dues or subscription payments by the insured to the fire department serving the district or area in which the insured property is located. This evidence may be, but is not limited to, a receipt, cancelled check, or other valid proof of payment provided by the insured.

##### 308. ADMINISTRATION OF RISK INDEXING AND ASSOCIATED RATING TIER

Tier	Factor
1	0.86
2	0.89
3	0.91
4	0.94
5	0.97
6	1.00
7	1.06
8	1.21
9	1.44
10	1.61

##### 407. SPECIFIED ADDITIONAL AMOUNT OF INSURANCE FOR COVERAGE A ONLY

For Arkansas use Endorsement **HO 23 47C** Excess Dwelling Coverage – Arkansas (Specified Additional Amount of Insurance for Coverage A – Dwelling).

##### 526. RESIDENCE HELD IN TRUST – ALL FORMS EXCEPT HO 00 04

For **Arkansas** use Endorsement **HO 06 15** Trust Endorsement.

##### 610. PERSONAL INJURY

For **Arkansas** use Endorsement **HO 24 26** Personal Injury.

#### SPECIAL STATE REQUIREMENTS

**Special Provisions Endorsement - HO 01 03**

**No Coverage for Home Day Care Business - HO 04 96C**

Use these endorsements with all Arkansas Homeowners policies.



# HOMEOWNERS POLICY PROGRAM MANUAL

## EXCEPTION PAGES

### ARKANSAS

#### ADDITIONAL RULES

##### 1. TERRITORIAL DEFINITIONS

<u>ZONE 1</u>	<u>ZONE 2</u>	<u>ZONE 3</u>
Baxter	Arkansas	Clay
Benton	Ashley	Craighead
Boone	Bradley	Crittenden
Carroll	Calhoun	Cross
Cleburne	Chicot	Greene
Conway	Clark	Jackson
Crawford	Cleveland	Lawrence
Faulkner	Columbia	Lee
Franklin	Dallas	Lonoke
Fulton	Desha	Mississippi
Independence	Drew	Monroe
Izard	Garland	Phillips
Johnson	Grant	Poinsett
Logan	Hempstead	Prairie
Madison	Hot Spring	Randolph
Marion	Howard	St. Francis
Newton	Jefferson	White
Perry	Lafayette	Woodruff
Searcy	Lincoln	
Sebastian	Little River	
Sharp	Miller	
Stone	Montgomery	
Van Buren	Nevada	
Washington	Quachita	
	Pike	
	Polk	
	Pope	
	Pulaski	
	Saline	
	Scott	
	Sevier	
	Union	
	Yell	

##### 2. SPECIAL COMPANY REQUIREMENTS

**Contamination or Pollution Endorsement – F 050C**

**Lead Contamination Exclusion – PC 110**

**Punitive or Exemplary Damages Exclusion – E 111**

**Electronic Aggression Coverage Exclusion – IL 21 80C**

**Fungus and Bacteria Amendatory Endorsement – IL 21 99**

**Amendatory Endorsement – Additional Policy Condition (Change of Address) – IL 66 67**

**All-Terrain Vehicle Coverage Exclusion – IL 21 87C**

Please use Standard Auto Program for ATV coverage.

Use these endorsements with all Homeowners policies.

# **PREFERRED HOMEOWNERS EXCEPTIONS TO HOMEOWNERS POLICY PROGRAM MANUAL**

## **INTRODUCTION**

A Missouri Preferred Homeowners Policy consists of Preferred Endorsement **HO 200C** and Homeowners Form **HO 00 03** with a declarations page.

An Arkansas Preferred Homeowners Policy consists of Preferred Endorsement **HO 201C** and Homeowners Form **HO 00 03** with a declarations page.

The following exceptions revise the rules in the Homeowners Manual and apply only to the Preferred Homeowners Policy. All references to the term "Homeowners Policy" are construed to mean "Preferred Homeowners Policy."

## **EXCEPTIONS TO HOMEOWNERS GENERAL RULES**

The Homeowners Program General Rules that apply to Form **HO 00 03** apply to the Preferred Homeowners Policy Program except as follows:

### **101. LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS**

**A.** The limits of liability required under the Preferred Homeowners Policy are as follows:

#### **1. Section I - Property Damage**

<b>Coverage</b>	<b>HO 00 03</b>
A - Dwelling Minimum Limit	\$200,000
B - Other Structures	10% of A
C - Personal Property	75% of A (May not be reduced.)
D - Loss of Use	50% of A

#### **2. Section II - Liability**

Coverage E - Personal Liability	\$100,000 Each Occurrence
Coverage F - Medical Payments	\$1,000 Each Person

**B.** The limit of liability for Coverages C or D of Section I and E or F of Section II may be increased.

**C.** Under Coverage B of Section I, an additional amount of insurance may be written on a specific structure.

### **102. DESCRIPTION OF COVERAGES**

**The following additional paragraph applies:**

**C.** Preferred Homeowners additional policy provisions

#### **Section I - Property Damage**

1. Excess Dwelling Coverage
2. Replacement Cost Coverage on Coverage C - Personal Property
3. \$500 Refrigerated Personal Property Coverage
4. \$1,000 Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money Coverage
5. \$1,500 Debris Removal Coverage
6. \$1,000 Arson Reward
7. \$100 Lock Replacement Coverage

**PREFERRED HOMEOWNERS EXCEPTIONS  
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POLICY PROGRAM MANUAL**

**Section II - Liability**

1. \$1,500 Damage to Property of Others Coverage
2. Section II Personal Injury Coverage

**504. CREDIT CARD, ELECTRONIC FUND TRANSFER CARD OR ACCESS DEVICE, FORGERY AND COUNTERFEIT MONEY**

The limit of \$1,000 may be increased. Charge the additional rate shown below.

LIMIT	PREMIUM
\$ 1,500.00	\$1.00
2,000.00	2.00
3,000.00	3.00
5,500.00	4.00
8,000.00	5.00
10,500.00	6.00

Use Endorsement **HO 04 53** Credit Card, Electronic Fund Transfer Card or Access Device, Forgery and Counterfeit Money Coverage Increased Limit.

**PREFERRED HOMEOWNERS EXCEPTIONS  
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**THE FOLLOWING RULES DO NOT APPLY TO PREFERRED HOMEOWNERS POLICIES.**

- 402.** Townhouse or Rowhouse
- 403.** Personal Property (Coverage C) Replacement Cost Coverage Loss Settlement
- 407.** Specified Additional Amount of Insurance For Coverage A Only
- 502.** Building Additions and Alterations - Increased Limit - **HO 00 04**
- 507.** Form **HO 00 06** Coverage A Dwelling Basic and Increased Limits
- 515.F.** Refrigerated Personal Property
- 610.** Personal Injury Coverage

**THE FOLLOWING RULE APPLIES ONLY TO PREFERRED HOMEOWNERS POLICIES.**

**PREFERRED PLUS ENDORSEMENT**

Coverage under the Preferred Homeowners Policy may be enhanced by attaching the Preferred Plus Endorsement. This endorsement includes the following additional coverages:

1. Jewelry, Watches and Furs Theft Coverage increase to \$3,000.
2. Trees, Shrubs, and Other Plants increased to \$1,500, aggregate increase from 5% to 10% of Coverage A.
3. Golf Cart Physical Damage Coverage up to \$3,000.
4. Refrigerated Personal Property Coverage increased from \$500 to \$750.
5. \$1,000 Accidental Death Coverage.
6. Special Form coverage on personal property (Coverage C).

The premium for the endorsement is \$50.

Use Endorsement **HO 210C**, Preferred Plus Endorsement.

# HOME SECURITY EXCEPTIONS TO HOMEOWNERS POLICY PROGRAM MANUAL

## INTRODUCTION

A Home Security Policy consists of Homeowners Form **HO 00 02** and Actual Cash Value Loss Settlement Form **HO 04 81C** with a declarations page. Form **HO 04 81C** replaces the Replacement Cost Loss Settlement Provision in **HO 00 02** with an Actual Cash Value Loss Settlement condition.

The following exceptions revise the rules in the Homeowners Manual and apply only to the Home Security Policy. All references to the term "Homeowners Policy" are construed to mean "Home Security Policy."

## EXCEPTIONS TO HOMEOWNERS GENERAL RULES

The Homeowners Program General Rules that apply to **Form HO 00 02** apply to the Home Security Policy Program except as follows:

### 101. LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS

**A.** The limits of liability required under the Home Security Policy are as follows:

#### 1. Section I - Property Damage

Coverage	HO 00 02
A - Dwelling Minimum Limit	\$40,000
B - Other Structures	10% of A
C - Personal Property	50% of A
D - Loss of Use	30% of A

#### 2. Section II - Liability

Coverage E - Personal Liability	\$100,000 Each Occurrence
Coverage F - Medical Payments	\$1,000 Each Person

**B.** The limit of liability for Coverages C or D of Section I and E or F of Section II may be increased.

**C.** Under Coverage B of Section I, an additional amount of insurance may be written on a specific structure.

**D.** Under Coverage C of Section I, it is permissible to reduce the limit of liability to an amount not less than 40% of the limit on the dwelling.

## THE FOLLOWING RULES DO NOT APPLY TO HOME SECURITY POLICIES

**110.** New Home Discount and Renovation Discount

**401.** Superior Construction

**407.** Specified Additional Amount of Insurance for Coverage A Only

**408.** Actual Cash Value Loss Settlement – Windstorm or Hail Losses to Roof Surfacing

**502.** Building Additions and Alterations - Increased Limit - **HO 00 04**

**507.** Form **HO 00 06** Coverage A Dwelling

**521.** Limited Water Back Up and Sump Discharge or Overflow Coverage

**531.** Builders' Risk Theft

# MOBILE HOMEOWNERS EXCEPTIONS TO HOMEOWNERS POLICY PROGRAM MANUAL

## INTRODUCTION

A Mobile Homeowners Policy consists of Endorsement **MH 04 01** and Homeowners Form **HO 00 02** with a declarations page.

The following exceptions revise the rules in the Homeowners Manual and apply only to the Mobile Homeowners Endorsement **MH 04 01** when made part of a policy. All references to the term "Homeowners Policy" are construed to mean "Mobile Homeowners Policy" and all references to the term "dwelling" are construed to mean "Mobile Home" for the purposes of this Supplement.

## EXCEPTIONS TO HOMEOWNERS GENERAL RULES

The Homeowners Program General Rules that apply to Form HO 00 02 apply to the Mobile Homeowners Exceptions except as follows:

### 101. LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS

A. The limits of liability required under the Mobile Homeowners Policy are as follows:

#### 1. Section I - Property Damage

Coverage	HO 00 02
A - Mobile Home Minimum Limit	\$20,000
B - Other Structures	10% of A
C - Personal Property	40% of A
D - Loss of Use	30% of A

#### 2. Section II - Liability

Coverage E - Personal Liability	\$100,000 Each Occurrence
Coverage F - Medical Payments	\$1,000 Each Person

B. The limit of liability for Coverages C or D of Section I and E or F of Section II may be increased.

C. Under Coverage B of Section I, an additional amount of insurance may be written on a specific structure.

### 104. Eligibility

#### A. Form **HO 00 02**

A Mobile Homeowners Policy may be issued:

1. To the owner-occupant(s) of a mobile home which is used exclusively for private residential purposes (except as provided in General Rule 104.F.) and contains not more than one family and with not more than one boarder or roomer per family; or
2. To the purchaser-occupant(s) who has entered into a long-term installment contract for the purchase of the mobile home and who occupies the mobile home but to whom title does not pass from the seller until all the terms of the installment contract have been satisfied. The seller retains title until completion of the payments and in no way acts as a mortgagee. The seller's interest in the building and premises liability may be covered using Endorsement **HO 04 41** - Additional Insured; or
3. To the occupant of a mobile home under a life estate arrangement. The owner's interest in the mobile home and premises liability may be covered using Endorsement **HO 04 41** - Additional Insured; or

**MOBILE HOMEOWNERS EXCEPTIONS  
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4. A Mobile Homeowners Policy may be issued on a mobile home which is designed for portability and year-round living and which may not be less than 10 feet in width and 400 square feet in area.
5. Care should be used in the writing of risks over ten years of age. The risk should be inspected carefully before binding coverage.
6. Coverage A applies to the mobile home described in the declarations including the structures and utility tanks attached to the mobile home and the following (or similar-type items) installed on a permanent basis: floor covering, appliances, dressers and cabinets.

- B.** Homeowners General Rule 104.B. does not apply to this program.
- C.** Homeowners General Rule 104.C. does not apply to this program.
- E.** Homeowners General Rule 104.E. does not apply to this program.

**107. Construction Definitions**

- A.** A mobile home structure shall be classed as a frame dwelling.
- B.** Other structures on the residence premises shall be classed according to the construction of the structure.

**THE FOLLOWING RULES DO NOT APPLY TO MOBILE HOMEOWNERS POLICIES**

- 109.** Single and Separate Building Definition
- 110.** New Home Discount and Renovation Discount
- 401.** Superior Construction
- 402.** Townhouse or Row House
- 404.** Protective Devices Credit
- 407.** Specified Additional Amount of Insurance for Coverage A Only
- 408.** Actual Cash Value Loss Settlement – Windstorm or Hail Losses to Roof Surfacing
- 515.D.** Personal Property - Reduction in Limit
- 521.** Limited Water Back Up and Sump Discharge or Overflow Coverage
- 531.** Builders' Risk Theft

**THE FOLLOWING RULES APPLY ONLY TO MOBILE HOMEOWNERS POLICIES**

**801. Actual Cash Value Loss Settlement**

The Mobile Homeowners Policy provides building loss settlement on a replacement cost basis if the Coverage A limit of liability represents at least 80% of replacement value. This loss settlement provision may be modified to an Actual Cash Value Loss Settlement provision.

Compute as shown in the Premium Computation pages using an Actual Cash Value Loss Settlement factor of 1.15.

Use Endorsement **MH 04 02** - Actual Cash Value.

**802. Seasonal Occupancy**

The premium for seasonal occupancy is computed as shown in the Premium Computation pages using a Seasonal Occupancy factor of 1.15.

**803. - 804. RESERVED FOR FUTURE USE**

# MOBILE HOMEOWNERS EXCEPTIONS TO HOMEOWNERS POLICY PROGRAM MANUAL

## 805. Coverage C - Reduction in Limit

The limit of liability for Coverage C may be reduced to an amount not less than 30% of the limit of Coverage A. Reduction in the limit of liability for Coverage C is not permitted when Permitted Incidental Occupancies endorsement **HO 04 42** is attached to the policy.

Apply the credit per \$1,000 shown in the multistate rate page.

## 806. - 807. RESERVED FOR FUTURE USE

## 808. Property Removed

When the mobile home is removed because of danger from a peril insured against, the \$500 additional coverage in the form may be increased to a maximum of \$2,500 in increments of \$250.

Charge the additional rate shown on the multistate rate page.

Use Endorsement **MH 04 06** - Property Removed - Increased Limits.

## 809. RESERVED FOR FUTURE USE

## 810. Anchoring Requirement

**DO NOT SUBMIT AN APPLICATION UNLESS THE MOBILE HOME IS ANCHORED  
IN ACCORDANCE WITH THE MINIMUM STANDARDS SET FORTH BELOW.**

### MINIMUM TIE-DOWN REQUIREMENTS

The number of tie-down components, including the anchor system, each with a registered holding strength of 4,800 pounds, shown in the following table, shall constitute a tie-down system for a mobile home with indicated dimensions. system designed to withstand a 70 miles per hour wind velocity shall be a minimum approved system.

Wind Velocity  MPH	10 and 12 Ft. Wide Mobile Homes				12 Ft. and Wider Mobile Homes	
	30 to 50 Ft. Long		50 to 60 Ft. Long		60 to 70 Ft. Long	
	No. of Diagonal Ties on Each Side	No. of Vertical Ties	No. of Diagonal Ties on Each Side	No. of Vertical Ties	No. of Diagonal Ties on Each Side	No. of Vertical Ties
Minimum 70	3	2	4	2	4	2
80	4	3	5	3	5	3
90	5	4	6	4	7	4
100	6	4	7	5	8	6
110	7	6	9	6	10	7

Mobile homes manufactured after June 15, 1976, need not comply with the vertical (over the top) requirements. A double-wide mobile home need only be anchored to the frame or secured to a continuous masonry foundation.

Anchors may be embedded in a permanent foundation if the foundation covers the entire area under the home, or consist of soil screw auger type or the equivalent.

Screw augers should be sunk to a depth of at least four feet. A dealer in anchors should be consulted for the best type of anchor suited to a particular soil.

Woven wire cables of galvanized steel or stainless steel 3/8 inch in diameter or larger, or 1/4 inch aircraft cable, with turnbuckles, or the equivalent, may be attached either "frame to anchor" or "over the home to anchor."



# Arkansas

<b>1. Territorial Base Rate by Form</b>							
	Standard		Renter	Condo	Preferred	Home Security	Mobile
<u>Territory</u>	<u>HO0002</u>	<u>HO0003</u>	<u>HO0004</u>	<u>HO0006</u>	<u>HO0003</u>	<u>HO0002</u>	<u>HO0002</u>
1	462	486	117	123	509	393	330
2	589	620	121	128	573	439	330
3	721	759	134	142	705	531	330

<b>2. Protection Construction Factors</b>											
	Standard		Renter		Condo		Preferred		Mobile	Home Security	
Protection	HO0002/HO0003		HO0004		HO0006		HO0003		HO0002	HO0002	
Class	Frame	Masonry	Frame	Masonry	Frame	Masonry	Frame	Masonry	Frame	Frame	Masonry
1	1.200	1.000	1.000	1.000	1.000	1.000	1.2000	1.0000	1.000	1.200	1.000
2	1.200	1.000	1.000	1.000	1.000	1.000	1.2000	1.0000	1.000	1.200	1.000
3	1.200	1.000	1.000	1.000	1.000	1.000	1.2000	1.0000	1.000	1.200	1.000
4	1.250	1.100	1.000	1.000	1.000	1.000	1.2520	1.1000	1.000	1.250	1.100
5	1.250	1.100	1.070	1.070	1.070	1.070	1.2520	1.1000	1.000	1.250	1.100
6	1.370	1.195	1.070	1.070	1.070	1.070	1.3700	1.1950	1.000	1.370	1.195
7	1.577	1.420	1.180	1.180	1.180	1.180	1.5770	1.4200	1.100	1.577	1.420
8	2.025	1.880	1.180	1.180	1.180	1.180	2.0240	1.8800	1.100	2.025	1.880
9	3.210	2.800	1.540	1.540	1.540	1.540	3.2100	2.5500	1.205	3.210	2.800
10	4.600	4.000	1.800	1.800	1.800	1.800	4.4550	3.8700	1.425	4.600	4.000

<b>3. Increased Liability Limits Factor</b>	
<u>Coverage E Limit</u>	<u>Factor</u>
100,000	1.00
200,000	1.17
300,000	1.33
400,000	1.43
500,000	1.49
1,000,000	1.80

# Arkansas

<b>4.A. Amount of Insurance Factor</b>			
AOI	Mobile	Renter (Cov C) HO 00 04	Condo (Cov C) HO 00 06
6,000	0.650	0.733	0.745
7,000	0.689	0.800	0.800
8,000	0.728	0.867	0.863
9,000	0.767	0.934	0.932
10,000	0.806	1.000	1.000
11,000	0.845	1.050	1.049
12,000	0.884	1.100	1.098
13,000	0.923	1.150	1.147
14,000	0.962	1.200	1.196
15,000	1.000	1.250	1.245
16,000	1.039	1.300	1.294
17,000	1.078	1.350	1.343
18,000	1.117	1.399	1.392
19,000	1.156	1.448	1.441
20,000	1.195	1.497	1.490
21,000	1.234	1.546	1.539
22,000	1.273	1.594	1.588
23,000	1.312	1.642	1.637
24,000	1.351	1.690	1.686
25,000	1.390	1.738	1.735
26,000	1.429	1.785	1.784
27,000	1.468	1.832	1.833
28,000	1.507	1.879	1.882
29,000	1.546	1.926	1.931
30,000	1.585	1.972	1.980
31,000			
32,000			
33,000			
34,000			
35,000	1.780	2.203	2.195
36,000			
37,000			
38,000			
39,000			
40,000	1.975		
41,000			
42,000			
43,000			
44,000			
45,000	2.170		
46,000			
47,000			
48,000			
49,000			
50,000	2.365		
Each Add'l 1,000 Add	0.039	0.045	0.033

# Arkansas

<b>4.B. Amount of Insurance Factor</b>					
AOI	Home Security	Standard	Preferred	AOI	Preferred
10,000	0.694	0.850	0.995	245,000	2.794
15,000	0.722	0.865	0.997	250,000	2.833
20,000	0.750	0.880	1.000	255,000	2.878
25,000	0.763	0.895	1.046	260,000	2.923
30,000	0.776	0.910	1.079	265,000	2.968
35,000	0.818	0.925	1.117	270,000	3.014
40,000	0.860	0.940	1.155	275,000	3.059
45,000	0.889	0.955	1.192	280,000	3.104
50,000	0.917	0.970	1.238	285,000	3.149
55,000	0.959	0.985	1.291	290,000	3.194
60,000	1.000	1.000	1.340	295,000	3.240
65,000	1.070	1.051	1.397	300,000	3.284
70,000	1.140	1.102	1.452		
75,000	1.230	1.163	1.508		
80,000	1.320	1.250	1.561		
85,000	1.390	1.309	1.614		
90,000	1.460	1.362	1.664		
95,000	1.550	1.407	1.711		
100,000	1.640	1.437	1.757		
105,000	1.735	1.497	1.805		
110,000	1.830	1.557	1.851		
115,000	1.925	1.617	1.905		
120,000	2.020	1.676	1.956		
125,000	2.120	1.735	2.011		
130,000	2.220	1.794	2.063		
135,000	2.315	1.853	2.126		
140,000	2.410	1.911	2.187		
145,000	2.505	1.969	2.248		
150,000	2.600	2.027	2.311		
155,000	2.688	2.085	2.374		
160,000	2.776	2.142	2.439		
165,000	2.864	2.199	2.479		
170,000	2.952	2.256	2.519		
175,000	3.040	2.313	2.558		
180,000	3.128	2.370	2.598		
185,000	3.216	2.427	2.637		
190,000	3.304	2.483	2.677		
195,000	3.392	2.539	2.716		
200,000	3.480	2.595	2.755		
Each Add'l 1000 Add	0.018	0.010		Each Add'l 1000 Add	0.010

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RATE PAGES**

**ARKANSAS**

<b>105. SECONDARY RESIDENCE PREMISES</b>	
Credit .....	\$ 11.00
<b>205. MINIMUM PREMIUM</b>	
Paragraphs A. and B. ....	\$ 50.00
<b>207. WAIVER OF PREMIUM</b>	
Amount that may be waived .....	Less than \$ 3.00
<b>407. EXCESS DWELLING COVERAGE - ARKANSAS (SPECIFIED ADDITIONAL AMOUNT OF INSURANCE FOR COVERAGE A – DWELLING) (HO 23 47C)</b>	
Charge per policy .....	\$ 10.00
<b>503. BUSINESS PROPERTY - INCREASED LIMITS (HO 04 12)</b>	
Rate per \$2,500 .....	\$ 25.00
<b>504. CREDIT CARD, ELECTRONIC FUND TRANSFER CARD OR ACCESS DEVICE, FORGERY AND COUNTERFEIT MONEY (HO 04 53)</b>	
<b>Limit</b>	
\$ 1,000.....	\$ 1.00
2,500.....	\$ 3.00
5,000.....	\$ 4.00
7,500.....	\$ 5.00
10,000.....	\$ 6.00
<b>506. FIRE DEPARTMENT SERVICE CHARGE</b>	
<b>Limit</b>	
\$ 750.....	\$ 2.00
1,000.....	\$ 3.00
<b>507. FORM HO 00 06 COVERAGE A DWELLING BASIC AND INCREASED LIMITS AND SPECIAL COVERAGE</b>	
<b>C. Special Coverage (HO 17 32)</b>	
1. Charge per policy for \$5,000 in basic form.....	\$ 2.00
2. Rate for each additional \$1,000 of Coverage A .....	\$ 1.00
<b>510. PERMITTED INCIDENTAL OCCUPANCIES - RESIDENCE PREMISES (HO 04 42)</b>	
<b>E.1.b.</b> Rate per \$1,000 for business in other structure .....	\$ 5.00
<b>511. SUPPLEMENTAL LOSS ASSESSMENT COVERAGE (HO 04 35)</b>	
<b>A. Residence Premises</b>	
<b>HO 00 02, HO 00 04, or HO 00 06 <u>without</u> HO 17 32</b>	
<b>New Amount of Coverage</b>	
\$ 5,000 .....	\$ 3.00
\$ 10,000 .....	\$ 5.00
Each additional \$5,000 up to \$50,000 .....	\$ 1.00
<b>HO 00 03 or HO 00 06 <u>with</u> HO 17 32</b>	
<b>New Amount of Coverage</b>	
\$ 5,000 .....	\$ 4.00
\$ 10,000 .....	\$ 7.00
Each additional \$5,000 up to \$50,000 .....	\$ 2.00

# HOMEOWNERS POLICY PROGRAM MANUAL

## RATE PAGES

**ARKANSAS**

### 511. SUPPLEMENTAL LOSS ASSESSMENT COVERAGE (HO 04 35) (continued)

#### B. Additional Locations

**HO 00 02, HO 00 04, or HO 00 06 without HO 17 32**

**New Amount of Coverage**

\$ 1,000 .....	\$ 5.00
\$ 5,000 .....	\$ 8.00
\$ 10,000 .....	\$ 10.00
Each additional \$5,000 up to \$50,000 .....	\$ 1.00

**HO 00 03 or HO 00 06 with HO 17 32**

**New Amount of Coverage**

\$ 1,000 .....	\$ 6.00
\$ 5,000 .....	\$ 10.00
\$ 10,000 .....	\$ 13.00
Each additional \$5,000 up to \$50,000 .....	\$ 2.00

### 512. LOSS OF USE - INCREASED LIMIT

Rate per \$1,000 .....	\$ 2.00
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### 514. OTHER STRUCTURES

<b>B. Increased Limit - Rate per \$1,000 (HO 04 48) .....</b>	<b>\$ 4.00</b>
<b>C. Rented to Others - Residence Premises (HO 04 40)</b>	
Rate per \$1,000 .....	\$ 5.00
<b>D. 1. Off-Premises Structures - (HO 04 91) - Charge per policy.....</b>	<b>\$ 15.00</b>
<b>2. Specific Structures - On or Off-Premises (HO 04 92C)</b>	
Rate per \$1,000 .....	\$ 5.00

### 515. PERSONAL PROPERTY

<b>A. Increased Limit</b>	
Rate per \$1,000 .....	\$ 2.00
<b>B. Increased Limit - Other Residences (HO 04 50C)</b>	
Rate per \$1,000 .....	\$ 7.00
<b>C. Increased Limit - Self-storage Facilities (HO 06 14C)</b>	
Rate per \$1,000 .....	\$ 6.00
<b>D. Reduced Limit - Credit per \$1,000 .....</b>	<b>\$ 1.00</b>
<b>E. Increased Special Limits (HO 04 65)</b>	
1. Jewelry, watches and furs - Rate per \$1,000 .....	\$ 18.00
2. Money and securities - Rate per \$100 - Money .....	\$ 6.00
Securities .....	\$ 4.00
3. Silverware - Rate per \$500 .....	\$ 2.75
4. Firearms - Rate per \$100 .....	\$ 1.50
5. Portable Electronic Equipment - Rate per \$500 .....	\$ 10.00
<b>F. 3. Refrigerated Property (HO 04 98) - Charge per policy .....</b>	<b>\$ 5.00</b>

### 516. SCHEDULED PERSONAL PROPERTY (HO 04 61)

Rate per \$1,000	
Jewelry .....	\$ 13.50
Furs .....	\$ 5.00
Cameras - Non commercial .....	\$ 13.20
Musical instruments - Non Professional	
First \$ 500 .....	\$ 6.80
Next 1,000 .....	2.98
Over 1,500 .....	2.55
Silverware .....	\$ 4.00
Golfing equipment .....	\$ 16.00
Fine arts .....	\$ 13.00

**HOMEOWNERS POLICY PROGRAM MANUAL  
RATE PAGES**

**ARKANSAS**

**519. SPECIAL COMPUTER COVERAGE (HO 04 14)**

Charge per policy .....\$ 15.00

**521. LIMITED WATER BACK UP AND SUMP DISCHARGE OR OVERFLOW (HO 04 95C).....\$ 30.00**

**523. ASSISTED LIVING CARE COVERAGE (HO 04 59)**

Charge per person named in the schedule .....\$ 56.00

**524. OTHER MEMBERS OF A NAMED INSURED'S HOUSEHOLD (HO 04 58)**

**A.** Rate Per Person .....\$ 56.00

**B. Coverage E Liability Limits**

Limit	\$100,000	\$200,000	\$300,000	\$400,000	\$500,000	\$1,000,000
Rate	—	7	12	14	17	25

**C. Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	1	2	3	4

**525. OWNED MOTORIZED GOLF CART – PHYSICAL LOSS COVERAGE (HO 05 28C)**

Charge per golf cart.....\$ 40.00

**531. BUILDERS' RISK THEFT F 070)**

Rate per \$1,000 .....\$ 10.00

**532. HOBBY FARM ENDORSEMENT (HO 220C)**

Charge per policy .....\$ 75.00

**601. RESIDENCE PREMISES**

**A. Coverage E Limits of Liability**

Limit	\$100,000	\$200,000	\$300,000	\$400,000	\$500,000	\$1,000,000
Rate	—	4	8	11	13	23

**B. Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	3	6	9	12

**602. OTHER INSURED LOCATION OCCUPIED BY INSURED**

**A. Coverage E Limits of Liability**

1 and 2 Family Rate .....\$ 9.00

**B. Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	1	2	3	4

**603. RESIDENCE EMPLOYEES**

**A.** Rate per Person in Excess of Two .....\$ 5.00

**B. Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	1	2	3	4

**HOMEOWNERS POLICY PROGRAM MANUAL  
RATE PAGES**

**ARKANSAS**

**604. ADDITIONAL RESIDENCE RENTED TO OTHERS (HO 24 70)**

**A. Rate per Residence**

One Family .....	\$ 8.00
Two Family .....	\$ 16.00

**B. Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	1	2	3	4

**605. OTHER STRUCTURES RENTED TO OTHERS - RESIDENCE PREMISES (HO 04 40)**

**A. Rate per Structure.....\$ 10.00**

**B. Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	1	2	3	4

**606. RESERVED FOR FUTURE USE**

**607. RESERVED FOR FUTURE USE**

**608. PERMITTED INCIDENTAL OCCUPANCIES - RESIDENCE PREMISES AND OTHER RESIDENCES**

**A. Residence Premises (HO 04 42)**

**1. Rate Per Policy .....\$ 20.00**

**2. Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	5	10	15	20

**B. Other Residence (HO 24 43)**

**1. Rate Per Other Residence .....\$ 18.00**

**2. Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	3	6	9	12

**609. BUSINESS PURSUITS (HO 24 71)**

**Rate per Insured Person**

**A.1. Clerical Employees**

**Rate Per Person .....\$ 4.00**

**Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	1	2	3	4

**A.2. Sales Person, Collector or Messenger - Installation, Demonstration or Servicing Operation INCLUDED:**

**Rate Per Person .....\$ 6.00**

**Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	1	2	3	4

**HOMEOWNERS POLICY PROGRAM MANUAL  
RATE PAGES**

**ARKANSAS**

**A.3. Sales Person, Collector or Messenger - Installation, Demonstration or Servicing Operation EXCLUDED:**  
Rate Per Person .....\$ 4.00

**Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	1	2	3	4

**A.4. Teachers - Laboratory, Athletic, Manual or Physical Training**  
Rate Per Person .....\$ 11.00

**Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	2	4	6	8

**A.5. Teachers - Not Otherwise Classified**  
Rate Per Person .....\$ 5.00

**Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	1	2	3	4

**A.6. Teachers - Corporal Punishment (add to A.4. or A.5.)**  
Rate Per Person .....\$ 4.00

**610. PERSONAL INJURY COVERAGE (HO 24 26)**

**A.** Rate per Policy .....\$ 13.00

**611. LOW POWER RECREATIONAL MOTOR VEHICLES (HO 24 13)**

**A.** Rate per Conveyance.....\$ 15.00

**B. Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	1	2	3	4

**612. OUTBOARD MOTORS AND WATERCRAFT (HO 24 75)**

**F.1. Outboard, Inboard or Inboard-Outdrive Engines or Motors \***

**Length - 15 feet and Under**

**H.P. 26 - 50** Liability Rate .....\$ 16.00

**Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	3	6	9	11

**H.P. 51 - 100** Liability Rate .....\$ 24.00

**Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	4	8	12	14

**H.P. 101 - 150** Liability Rate .....\$ 32.00

**Coverage F Medical Payments**

Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Rate	—	6	12	18	21



**HOMEOWNERS POLICY PROGRAM MANUAL  
RATE PAGES**

**ARKANSAS**

**F.2. Outboard, Inboard or Inboard-Outdrive Engines or Motors \***

**Length - Over 15 Feet to 26 Feet**

<b>H.P. 26 - 50</b>	<b>Liability Rate .....</b>						<b>\$ 23.00</b>
	<b>Coverage F Medical Payments</b>						
	Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	
	Rate	—	4	8	12	14	

<b>H.P. 51 - 100</b>	<b>Liability Rate .....</b>						<b>\$ 33.00</b>
	<b>Coverage F Medical Payments</b>						
	Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	
	Rate	—	6	12	18	21	

<b>H.P. 101 - 150</b>	<b>Liability Rate .....</b>						<b>\$ 41.00</b>
	<b>Coverage F Medical Payments</b>						
	Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	
	Rate	—	8	16	24	28	

<b>H.P. 151 - 200</b>	<b>Liability Rate .....</b>						<b>\$ 73.00</b>
	<b>Coverage F Medical Payments</b>						
	Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	
	Rate	—	12	24	36	42	

**F.3. Sailboats With or Without Auxiliary Power**

**Liability Rate .....** \$ 41.00

**Overall Length - 26 Feet to 40 Feet \***

	<b>Coverage F Medical Payments</b>						
	Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	
	Rate	—	3	6	9	11	

\* Outboard engines or motors of up to 25 horsepower or sailboats less than 26 feet in overall length with or without auxiliary power are covered in the policy form.

**613. OWNED SNOWMOBILE (HO 24 64)**

**A. Rate per Snowmobile .....** \$ 46.00

<b>B. Coverage F Medical Payments</b>						
Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	
Rate	—	1	2	3	4	

**614. RESERVED FOR FUTURE USE**

**615. INCIDENTAL FARMING PERSONAL LIABILITY (HO 24 72)**

**For acreage in excess of 10 acres but not to exceed 80 acres.**

**A. For acreage in excess of 10 acres but not to exceed 80 acres.**

**On the Residence Premises Rate .....** \$ 40.00  
**Off the Residence Premises Rate .....** \$ 40.00

<b>B. Coverage F Medical Payments</b>						
Limit	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	
Rate	—	1	2	3	4	

**MOBILE HOMEOWNERS EXCEPTIONS  
TO HOMEOWNERS  
POLICY PROGRAM MANUAL**

**MULTISTATE RATE PAGE**

**805. Coverage C - Reduction in Limit** (Not permitted if **HO 04 42** is attached to the policy.)

Credit per \$1,000.....\$ 1.00

**808. Property Removed (MH 04 06)**

Rate per \$250 Increase .....\$ 2.00

<b>State:</b>	Arkansas	<b>Filing Company:</b>	Cameron Mutual Insurance Company
<b>TOI/Sub-TOI:</b>	04.0 Homeowners/04.0000 Homeowners Sub-TOI Combinations		
<b>Product Name:</b>	Homeowners		
<b>Project Name/Number:</b>	/		

## Supporting Document Schedules

<b>Satisfied - Item:</b>	H-1 Homeowners Abstract
<b>Comments:</b>	
<b>Attachment(s):</b>	H-1 Arkansas.pdf
<b>Item Status:</b>	Filed
<b>Status Date:</b>	07/02/2014

<b>Satisfied - Item:</b>	HPCS-Homeowners Premium Comparison Survey
<b>Comments:</b>	
<b>Attachment(s):</b>	HO Survey FORM HPCS.xls HO Survey FORM HPCS.pdf
<b>Item Status:</b>	Filed
<b>Status Date:</b>	07/02/2014

<b>Satisfied - Item:</b>	NAIC loss cost data entry document
<b>Comments:</b>	
<b>Attachment(s):</b>	RF-1 Arkansas.pdf
<b>Item Status:</b>	Filed
<b>Status Date:</b>	07/02/2014

<b>Satisfied - Item:</b>	Indicated Needs
<b>Comments:</b>	
<b>Attachment(s):</b>	Rate Indications 2014 AR Final.pdf AR Rate Indication Explanation.pdf
<b>Item Status:</b>	Filed
<b>Status Date:</b>	07/02/2014

ARKANSAS INSURANCE DEPARTMENT

FORM H-1 HOMEOWNERS ABSTRACT

INSTRUCTIONS: All questions must be answered. If the answer is "none" or "not applicable", so state. If all questions are not answered, the filing will not be accepted for review by the Department. Use a separate abstract for each company if filing for a group. Subsequent homeowners rate/rule submissions that do not alter the information contained herein need not include this form.

Company Name Cameron Mutual Insurance Company

NAIC # (including group #) 0532-15725

1. If you have had an insurance to value campaign during the experience filing period, describe the campaign and estimate its impact.  
We utilize e2Value for both new and renewal Homeowners Amount of Insurance estimates. We believe the impact of this program is positive in that our insured's homes are appropriately insured.

2. If you use a cost estimator (or some similar method) in order to make sure that dwellings (or contents) are insured at their value, state when this program was started in Arkansas and estimate its impact.  
We implemented e2Value in 2004. It's impact has been to adequately value our insured's homes.

3. If you require a minimum relationship between the amount of insurance to be written and the replacement value of the dwelling (contents) in order to purchase insurance, describe the procedures that are used.  
We require homes to be at least 80% insured to value for Standard Homeowners. For Preferred Homeowners, we require 100% replacement cost.

4. If you use an Inflation Guard form or similar type of coverage, describe the coverage(s) and estimate the impact.  
We do not offer true Inflation Guard coverage.

5. Specify the percentage given for credit or discounts for the following:

a. Fire Extinguisher	0%
b. Burglar Alarm	2-5%
c. Smoke Alarm	2-5%
d. Insured who has both homeowners and auto with your company	14%
e. Deadbolt Locks	0%
f. Window or Door Locks	0%
g. Other (specify) New Home	1-22%
Electrical Renovation	1-5%
Heat Renovation	1-4%

6. Are there any areas in the State of Arkansas In which your company will not write homeowners insurance? If so, state the areas and explain reason for not writing.  
No

7. Specify the form(s) utilized in writing homeowners insurance. Indicate the Arkansas premium volume for each form.

Form	Premium Volume
HO-2	\$183,269
HO-3	\$1,572,097
HO-4	\$37,846
HO-6	\$2,706

8. Do you write homeowner risks which have aluminum, steel or vinyl siding? ☒ Yes ☐ No

9. Is there a surcharge on risks with wood heat? Yes, \$50 flat per dwelling

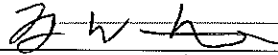
If yes, state the surcharge

Does the surcharge apply to conventional fire places? Yes

If yes, state the surcharge

\$50 flat per dwelling

THE INFORMATION PROVIDED IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



Signature

Barry Korthanke

Printed Name

Actuarial Analyst II

Title

816-632-6511 ext. 221

Telephone Number

bkorthanke@cameron-insurance.com

Email address

NAIC Number:	15725
Company Name:	Cameron Mutual Insurance Company
Contact Person:	Barry Korthanke
Telephone No.:	816-632-6511 ext. 221
Email Address:	bkorthanke@cameron-insurance.com
Effective Date:	10/1/2014

**Homeowners Premium Comparison Survey Form  
FORM HPCS - last modified August, 2005**

**USE THE APPROPRIATE FORM BELOW - IF NOT APPLICABLE, LEAVE  
BLANK**

Submit to: Arkansas Insurance Department  
1200 West Third Street  
Little Rock, AR 72201-1904  
Telephone: 501-371-2800  
Email as an attachment to [insurance.pnc@arkansas.gov](mailto:insurance.pnc@arkansas.gov)  
You may also attach to a SERFF filing or submit on a cdr disk

Survey Form for HO3 (Homeowners) - Use \$500 Flat Deductible (Covers risk of direct physical loss for dwelling and other structures; named perils for personal property, replacement cost on dwelling, actual cash value on personal property)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$759.38	\$911.25	\$759.38	\$911.25	\$1,185.94	\$1,423.13	\$1,185.94	\$1,423.13	\$968.75	\$1,162.50	\$968.75	\$1,162.50	\$968.75	\$1,162.50	\$759.38	\$911.25	\$968.75	\$1,162.50
	\$120,000	\$1,018.17	\$1,221.80	\$1,018.17	\$1,221.80	\$1,590.11	\$1,908.13	\$1,590.11	\$1,908.13	\$1,298.90	\$1,558.68	\$1,298.90	\$1,558.68	\$1,298.90	\$1,558.68	\$1,018.17	\$1,221.80	\$1,298.90	\$1,558.68
	\$160,000	\$1,301.27	\$1,561.52	\$1,301.27	\$1,561.52	\$2,032.22	\$2,438.67	\$2,032.22	\$2,438.67	\$1,660.05	\$1,992.06	\$1,660.05	\$1,992.06	\$1,660.05	\$1,992.06	\$1,301.27	\$1,561.52	\$1,660.05	\$1,992.06
6	\$80,000	\$907.45	\$1,040.34	\$907.45	\$1,040.34	\$1,417.20	\$1,624.73	\$1,417.20	\$1,624.73	\$1,157.66	\$1,327.19	\$1,157.66	\$1,327.19	\$1,157.66	\$1,327.19	\$907.45	\$1,040.34	\$1,157.66	\$1,327.19
	\$120,000	\$1,216.71	\$1,394.89	\$1,216.71	\$1,394.89	\$1,900.18	\$2,178.44	\$1,900.18	\$2,178.44	\$1,552.19	\$1,779.49	\$1,552.19	\$1,779.49	\$1,552.19	\$1,779.49	\$1,216.71	\$1,394.89	\$1,552.19	\$1,779.49
	\$160,000	\$1,555.01	\$1,782.73	\$1,555.01	\$1,782.73	\$2,428.51	\$2,784.14	\$2,428.51	\$2,784.14	\$1,983.76	\$2,274.27	\$1,983.76	\$2,274.27	\$1,983.76	\$2,274.27	\$1,555.01	\$1,782.73	\$1,983.76	\$2,274.27
9	\$80,000	\$2,126.25	\$2,437.59	\$2,126.25	\$2,437.59	\$3,320.63	\$3,806.86	\$3,320.63	\$3,806.86	\$2,712.50	\$3,109.69	\$2,712.50	\$3,109.69	\$2,712.50	\$3,109.69	\$2,126.25	\$2,437.59	\$2,712.50	\$3,109.69
	\$120,000	\$2,850.88	\$3,268.33	\$2,850.88	\$3,268.33	\$4,452.29	\$5,104.24	\$4,452.29	\$5,104.24	\$3,636.92	\$4,169.47	\$3,636.92	\$4,169.47	\$3,636.92	\$4,169.47	\$2,850.88	\$3,268.33	\$3,636.92	\$4,169.47
	\$160,000	\$3,643.54	\$4,177.06	\$3,643.54	\$4,177.06	\$5,690.22	\$6,523.43	\$5,690.22	\$6,523.43	\$4,648.14	\$5,328.76	\$4,648.14	\$5,328.76	\$4,648.14	\$5,328.76	\$3,643.54	\$4,177.06	\$4,648.14	\$5,328.76

Survey Form for HO4 (Renters) - Use \$500 Flat Deductible (Named perils for personal property, actual cash value for loss, liability and medical payments for others included)

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$15,000	\$182.81	\$182.81	\$182.81	\$182.81	\$209.38	\$209.38	\$209.38	\$209.38	\$189.06	\$189.06	\$189.06	\$189.06	\$189.06	\$189.06	\$182.81	\$182.81	\$189.06	\$189.06
	\$25,000	\$254.18	\$254.18	\$254.18	\$254.18	\$291.12	\$291.12	\$291.12	\$291.12	\$262.87	\$262.87	\$262.87	\$262.87	\$262.87	\$262.87	\$254.18	\$254.18	\$262.87	\$262.87
6	\$5,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$15,000	\$195.61	\$195.61	\$195.61	\$195.61	\$224.03	\$224.03	\$224.03	\$224.03	\$202.30	\$202.30	\$202.30	\$202.30	\$202.30	\$202.30	\$195.61	\$195.61	\$202.30	\$202.30
	\$25,000	\$271.98	\$271.98	\$271.98	\$271.98	\$311.49	\$311.49	\$311.49	\$311.49	\$281.27	\$281.27	\$281.27	\$281.27	\$281.27	\$281.27	\$271.98	\$271.98	\$281.27	\$281.27
9	\$5,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$15,000	\$281.53	\$281.53	\$281.53	\$281.53	\$322.44	\$322.44	\$322.44	\$322.44	\$291.16	\$291.16	\$291.16	\$291.16	\$291.16	\$291.16	\$281.53	\$281.53	\$291.16	\$291.16
	\$25,000	\$391.44	\$391.44	\$391.44	\$391.44	\$448.32	\$448.32	\$448.32	\$448.32	\$404.82	\$404.82	\$404.82	\$404.82	\$404.82	\$404.82	\$391.44	\$391.44	\$404.82	\$404.82

Survey Form for DP-2 (Dwelling/Fire) - Use \$500 Flat Deductible (Named perils for dwelling and personal property; replacement cost for dwelling, actual cash value for personal property, no liability coverage)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000																		
	\$120,000																		
	\$160,000																		
6	\$80,000																		
	\$120,000																		
	\$160,000																		
9	\$80,000																		
	\$120,000																		
	\$160,000																		

**SPECIFY THE PERCENTAGE GIVEN FOR CREDITS OR DISCOUNTS FOR THE FOLLOWING:**

**HO3 and HO4 only**

Fire Extinguisher	0 %	Deadbolt Lock	0 %
Burglar Alarm	2-5 %	Window Locks	0 %
Smoke Alarm	2-5 %	\$1,000 Deductible	0 %
		Other (specify)	
			%
		Maximum Credit Allowed	%

**EARTHQUAKE INSURANCE**

**IMPORTANT, homeowners insurance does NOT automatically cover losses from earthquakes. Ask your agent about this cov**

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?  (yes or no)  
WHAT IS YOUR PERCENTAGE DEDUCTIBLE?  %

Zone	Brick	Frame
Highest Risk	\$ <input type="text"/>	\$ <input type="text"/>
Lowest Risk	\$ <input type="text"/>	\$ <input type="text"/>

WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?

# NAIC LOSS COST DATA ENTRY DOCUMENT (EFFECTIVE AUG. 16, 2004)

1.	This filing transmittal is part of Company Tracking #	CMIC-128519396
----	---	----------------

2.	If filing is an adoption of an advisory organization loss cost filing, give name of advisory organization and Reference/Item Filing Number	
----	--	--

	Company Name		Company NAIC Number
3.	A.	<b>Cameron Mutual Insurance Company</b>	B. <b>0532-15725</b>

	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A.	<b>04.0 Homeowners</b>	B. <b>04.0005 Other Homeowners</b>

5.							
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Mobile Homeowners	7.5%	0.0%					
Home Security	0.7%	0.0%					
Standard Homeowners	11.0%	-0.28%					
Preferred Homeowners	-11.9%	0.0%					
TOTAL OVERALL EFFECT	0.9%	-0.14%					

6. 5 Year History Rate Change History							
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2013	1,440	2.5	10-1-2013	1,823	691	37.9%	36.2%
2012	1,565	9.1	10-1-2012	1,877	410	53.3%	37.3%
2011	1,774	6.2	9-1-2011	2,205	2,117	96.0%	91.7%
2010	2,034	5.3	9-1-2010	2,580	1,534	59.5%	63.1%
2009	2,911	9.8	9-1-2009	2,998	5,554	185.3%	118.1%

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	23.62%
B. General Expense	9.14%
C. Taxes, License & Fees	1.87%
D. Underwriting Profit & Contingencies	3.60%
E. Other	
F. TOTAL	38.23%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 0% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): \_\_\_\_\_
10. -10% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): \_\_\_\_\_

**Cameron Mutual Insurance Company**  
**Rate Level Indications**  
**Homeowners**  
**Arkansas**

Exhibit 1  
 Sheet 1  
 6/27/2014

Coverage	12/31/2013 Earned Premium	Full Indicated Change	Credibility	Complement of Credibility	Credible Indicated Change
Mobile Homes	\$60,805	52.0%	0.20	-3.9%	7.5%
Home Security	\$50,009	19.5%	0.19	-3.9%	0.7%
Standard Homeowners	\$940,064	15.7%	0.76	-3.8%	11.0%
Preferred Homeowners	\$772,214	-16.0%	0.66	-3.8%	-11.9%
Total	\$1,823,092	3.6%			0.9%



Cameron Mutual Insurance Company  
Rate Level Indications  
Homeowners  
Arkansas

Exhibit 1  
Sheet 2  
6/27/2014

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Year	Direct Earned Premium	Premium at Present Rate Factor	Current AOI Factors	Premium Projection Factors	Adjusted Premium	Case Incurred Losses	Wind/Hail Adjusted Losses	IBNR Factor	LAE Factors	Loss Trend Factors	Loss Projection Factor	Trended Adjusted Losses with IBNR and LAE	Final Loss Ratio	Permissible Loss Ratio	Full Indicated Change
<b>Mobile Homeowners</b>															
2009	75,891	1.123	1.112	1.015	96,095	149,436	161,153	1.004	1.094	0.842	0.970	144,494	150.4%		
2010	65,989	1.109	1.086	1.015	80,631	22,531	32,719	1.006	1.104	0.872	0.970	30,756	38.1%		
2011	63,336	1.051	1.061	1.015	71,685	32,499	41,896	1.009	1.082	0.904	0.970	40,117	56.0%		
2012	57,078	1.021	1.035	1.015	61,205	94,417	103,243	1.019	1.089	0.937	0.970	104,119	170.1%		
2013	60,805	1.005	1.011	1.015	62,655	17,367	26,755	1.045	1.141	0.971	0.970	30,051	48.0%		
3 Year Total	181,219				195,544	144,283	171,893					174,288	89.1%		44.3%
4 Year Total	247,208				276,176	166,814	204,612					205,044	74.2%		20.2%
5 Year Total	323,099				372,271	316,250	365,765					349,538	93.9%	61.8%	52.0%
<b>Home Security</b>															
2009	63,639	1.032	1.109	1.015	73,946	73,362	53,041	1.004	1.094	0.842	0.970	47,558	64.3%		
2010	59,737	1.030	1.086	1.015	67,827	11,612	23,188	1.006	1.104	0.872	0.970	21,797	32.1%		
2011	52,918	1.023	1.061	1.015	58,325	113,923	118,039	1.009	1.082	0.904	0.970	113,029	193.8%		
2012	47,154	1.024	1.037	1.015	50,825	16,503	25,641	1.019	1.089	0.937	0.970	25,858	50.9%		
2013	50,009	1.007	1.014	1.015	51,800	3,581	13,613	1.045	1.141	0.971	0.970	15,290	29.5%		
3 Year Total	150,081				160,950	134,008	157,293					154,177	95.8%		55.1%
4 Year Total	209,818				228,777	145,620	180,481					175,974	76.9%		24.5%
5 Year Total	273,457				302,722	218,982	233,521					223,532	73.8%	61.8%	19.5%
<b>Standard Homeowners</b>															
2009	1,434,761	1.458	1.120	1.013	2,374,168	3,132,717	1,953,566	1.004	1.094	0.842	0.970	1,751,627	73.8%		
2010	1,273,246	1.353	1.093	1.013	1,907,265	1,033,004	1,388,263	1.006	1.104	0.872	0.970	1,304,972	68.4%		
2011	1,086,267	1.273	1.066	1.013	1,493,864	1,372,457	1,362,138	1.009	1.082	0.904	0.970	1,304,323	87.3%		
2012	941,190	1.189	1.040	1.013	1,179,346	189,903	438,183	1.019	1.089	0.937	0.970	441,901	37.5%		
2013	940,064	1.080	1.015	1.013	1,043,533	548,362	810,921	1.045	1.141	0.971	0.970	910,827	87.3%		
3 Year Total	2,967,521				3,716,743	2,110,722	2,611,241					2,657,051	71.5%		15.7%
4 Year Total	4,240,767				5,624,007	3,143,726	3,999,505					3,962,023	70.4%		14.1%
5 Year Total	5,675,528				7,998,175	6,276,442	5,953,071					5,713,650	71.4%	61.8%	15.7%
<b>Preferred Homeowners</b>															
2009	1,424,396	1.297	1.123	1.014	2,102,957	2,032,036	1,729,481	1.004	1.094	0.842	0.970	1,550,706	73.7%		
2010	1,180,797	1.206	1.095	1.014	1,580,772	451,756	681,360	1.006	1.104	0.872	0.970	640,481	40.5%		
2011	1,002,345	1.132	1.068	1.014	1,227,963	424,146	566,903	1.009	1.082	0.904	0.970	542,841	44.2%		
2012	831,134	1.077	1.041	1.014	944,099	153,998	317,853	1.019	1.089	0.937	0.970	320,551	34.0%		
2013	772,214	1.018	1.015	1.014	808,674	139,241	359,174	1.045	1.141	0.971	0.970	403,425	49.9%		
3 Year Total	2,605,693				2,980,736	717,384	1,243,930					1,266,816	42.5%		-31.2%
4 Year Total	3,786,490				4,561,508	1,169,141	1,925,290					1,907,297	41.8%		-32.3%
5 Year Total	5,210,886				6,664,465	3,201,176	3,654,772					3,458,003	51.9%	61.8%	-16.0%

**Cameron Mutual Insurance Company**  
**Direct Experience**  
**Homeowners**  
**Arkansas**

Exhibit 2  
Sheet 1  
6/27/2014

		(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line of Business	Year	Earned Premium	Case Incurred Losses	Wind/Hail Losses	Normal Wind/Hail Losses	Load	Wind/Hail Adjusted Losses	IBNR Factor
<b>Mobile Home</b>								
	2009	75,891	149,436	12,919	12,919	11,717	161,153	1.004
	2010	65,989	22,531	11,074	11,074	10,188	32,719	1.006
	2011	63,336	32,499	16,497	16,115	9,779	41,896	1.009
	2012	57,078	94,417	9,240	9,254	8,812	103,243	1.019
	2013	60,805	17,367	9,867	9,867	9,388	26,755	1.045
	TOTAL	323,099	316,250	59,598	59,229		365,765	
<b>Home Security</b>								
	2009	63,639	73,362	45,243	12,590	12,332	53,041	1.004
	2010	59,737	11,612	9,639	9,639	11,576	23,188	1.006
	2011	52,918	113,923	16,607	10,469	10,254	118,039	1.009
	2012	47,154	16,503	9,196	9,196	9,137	25,641	1.019
	2013	50,009	3,581	3,581	3,922	9,690	13,613	1.045
	TOTAL	273,457	218,982	84,266	45,816		233,521	
<b>Standard Homeowners</b>								
	2009	1,434,761	3,132,717	2,014,489	456,859	378,480	1,953,566	1.004
	2010	1,273,246	1,033,004	115,580	134,966	335,873	1,388,263	1.006
	2011	1,086,267	1,372,457	642,760	345,891	286,550	1,362,138	1.009
	2012	941,190	189,903	107,273	107,273	248,279	438,183	1.019
	2013	940,064	548,362	85,072	99,649	247,982	810,921	1.045
	TOTAL	5,675,528	6,276,442	2,965,175	1,144,638		5,953,071	
<b>Preferred Homeowners</b>								
	2009	1,424,396	2,032,036	946,904	367,378	276,971	1,729,481	1.004
	2010	1,180,797	451,756	202,357	202,357	229,604	681,360	1.006
	2011	1,002,345	424,146	310,671	258,523	194,904	566,903	1.009
	2012	831,134	153,998	108,865	111,108	161,613	317,853	1.019
	2013	772,214	139,241	33,453	103,231	150,156	359,174	1.045
	TOTAL	5,210,886	3,201,176	1,602,250	1,042,597		3,654,772	

**Cameron Mutual Insurance Company**  
**History of Rate Changes and Calculation of Premium at Present Rate Factors**  
**Arkansas**  
**Mobile**

Exhibit 3  
 Sheet 1  
 6/27/2014

Rate Change History

Date:	09/01/2009	09/01/2010	09/01/2011	10/01/2012
Rate Change:	1.20%	7.10%	1.90%	1.72%

Allocation of Rate Changes to Year

Cumulative Rate Change						Weighted	
Year	1.0000	1.0120	1.0839	1.1044	1.1234	Rate Change	PPR Factors
2009	0.9444	0.0556	0.0000	0.0000	0.0000	1.001	1.123
2010	0.2222	0.7222	0.0556	0.0000	0.0000	1.013	1.109
2011	0.0000	0.2222	0.7222	0.0556	0.0000	1.069	1.051
2012	0.0000	0.0000	0.2222	0.7465	0.0313	1.100	1.021
2013	0.0000	0.0000	0.0000	0.2813	0.7188	1.118	1.005

Calculations assume annual policy renewals

Calculations are based on the parallelogram method which assumes that policies are written uniformly over the year

**Cameron Mutual Insurance Company**  
**History of Rate Changes and Calculation of Premium at Present Rate Factors**  
**Arkansas**  
**Home Security**

Exhibit 3  
 Sheet 2  
 6/27/2014

Rate Change History

Date:	09/01/2009	09/01/2010	09/01/2011	10/01/2012
Rate Change:	0.20%	0.90%	-0.50%	2.62%

Allocation of Rate Changes to Year

Cumulative Rate Change						Weighted	
Year	1.0000	1.0020	1.0110	1.0060	1.0323	Rate Change	PPR Factors
2009	0.9444	0.0556	0.0000	0.0000	0.0000	1.000	1.032
2010	0.2222	0.7222	0.0556	0.0000	0.0000	1.002	1.030
2011	0.0000	0.2222	0.7222	0.0556	0.0000	1.009	1.023
2012	0.0000	0.0000	0.2222	0.7465	0.0313	1.008	1.024
2013	0.0000	0.0000	0.0000	0.2813	0.7188	1.025	1.007

Calculations assume annual policy renewals

Calculations are based on the parallelogram method which assumes that policies are written uniformly over the year

**Cameron Mutual Insurance Company**  
**History of Rate Changes and Calculation of Premium at Present Rate Factors**  
**Arkansas**  
**Standard**

Exhibit 3  
Sheet 3  
6/27/2014

Rate Change History

Date:	09/01/2009	09/01/2010	09/01/2011	10/01/2012	10/01/2013
Rate Change:	10.40%	5.00%	7.70%	11.99%	4.90%

Allocation of Rate Changes to Year

Cumulative Rate Change							Weighted	
Year	1.0000	1.1040	1.1592	1.2485	1.3981	1.4667	Rate Change	PPR Factors
2009	0.9444	0.0556	0.0000	0.0000	0.0000	0.0000	1.006	1.458
2010	0.2222	0.7222	0.0556	0.0000	0.0000	0.0000	1.084	1.353
2011	0.0000	0.2222	0.7222	0.0556	0.0000	0.0000	1.152	1.273
2012	0.0000	0.0000	0.2222	0.7465	0.0313	0.0000	1.233	1.189
2013	0.0000	0.0000	0.0000	0.2813	0.6875	0.0313	1.358	1.080

Calculations assume annual policy renewals

Calculations are based on the parallelogram method which assumes that policies are written uniformly over the year

**Cameron Mutual Insurance Company**  
**History of Rate Changes and Calculation of Premium at Present Rate Factors**  
**Arkansas**  
**Preferred**

Exhibit 3  
 Sheet 4  
 6/27/2014

Rate Change History

Date:	09/01/2009	09/01/2010	09/01/2011	10/01/2012
Rate Change:	10.00%	5.70%	5.10%	6.74%

Allocation of Rate Changes to Year

Cumulative Rate Change						Weighted	
Year	1.0000	1.1000	1.1627	1.2220	1.3044	Rate Change	PPR Factors
2009	0.9444	0.0556	0.0000	0.0000	0.0000	1.006	1.297
2010	0.2222	0.7222	0.0556	0.0000	0.0000	1.081	1.206
2011	0.0000	0.2222	0.7222	0.0556	0.0000	1.152	1.132
2012	0.0000	0.0000	0.2222	0.7465	0.0313	1.211	1.077
2013	0.0000	0.0000	0.0000	0.2813	0.7188	1.281	1.018

Calculations assume annual policy renewals

Calculations are based on the parallelogram method which assumes that policies are written uniformly over the year

**Cameron Mutual Insurance Company**  
**AOI Trend**  
**Mobile Homes**  
**Arkansas**

Exhibit 4  
Sheet 1  
6/27/2014

**Current AOI Factors**

	(1) AOI	(2) Natural Log Of AOI Relativities
2000	1.541	0.4323
2001	0.979	-0.0214
2002	0.975	-0.0252
2003	0.976	-0.0241
2004	1.025	0.0249
2005	1.066	0.0644
2006	1.088	0.0841
2007	1.113	0.1074
2008	1.112	0.1059
2009	1.132	0.1242
2010	1.174	0.1605
2011	1.191	0.1749
2012	1.195	0.1779
2013	1.264	0.2341

	Evaluation Date	Midpoint of Experience	Historical Time Period	Historical Trend Factors
2007	12/31/2013	7/1/2007	6.51	<b>1.1619</b>
2008	12/31/2013	7/1/2008	5.50	<b>1.1354</b>
2009	12/31/2013	6/1/2009	4.59	<b>1.1116</b>
2010	12/31/2013	6/1/2010	3.59	<b>1.0862</b>
2011	12/31/2013	6/1/2011	2.59	<b>1.0615</b>
2012	12/31/2013	7/1/2012	1.50	<b>1.0352</b>
2013	12/31/2013	7/15/2013	0.46	<b>1.0107</b>

Historical Premium Trend		R Squared
9 Year	1.92%	0.95
6 Year	2.33%	0.93
3 Year	2.96%	0.79

(3) Selected Historical Trend: **2.33%**

**Trended AOI Factor**

	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Year	X	Y (Avg Index)	X^2	XY	A= Average(Y)	B= Nsum(XY)/ Nsum(X^2)	Fitted Average Relativity		Latest Annual Trend
2009	-2	1.132	4	-2.3					
2010	-1	1.174	1	-1.2					
2011	0	1.191	0	0.0					
2012	1	1.195	1	1.2					
2013	2	1.264	4	2.5					
Total	0	6.0	10	0.3	1.2	0.028	1.2	1.2	0.97%

- (12) Evaluation Date 3/31/2014  
(13) Effective Date: 10/01/2014  
(14) Midpoint of Loss Date: 10/01/2015  
(15) Projection Period: 1.504 years  
(16) **Trend AOI Factor:** 1.015

**Cameron Mutual Insurance Company**  
**AOI Trend**  
**Home Security**  
**Arkansas**

Exhibit 4  
Sheet 2  
6/27/2014

**Current AOI Factors**

	(1) AOI	(2) Natural Log Of AOI Relativities
2000	0.937	-0.0653
2001	0.979	-0.0214
2002	0.975	-0.0252
2003	0.976	-0.0241
2004	1.025	0.0249
2005	1.066	0.0644
2006	1.088	0.0841
2007	1.113	0.1074
2008	1.112	0.1059
2009	1.132	0.1242
2010	1.174	0.1605
2011	1.191	0.1749
2012	1.195	0.1779
2013	1.264	0.2341

	Evaluation Date	Midpoint of Experience	Historical Time Period	Historical Trend Factors
2007	12/31/2013	7/1/2007	6.51	<b>1.1619</b>
2008	12/31/2013	7/1/2008	5.50	<b>1.1354</b>
2009	12/31/2013	7/1/2009	4.50	<b>1.1095</b>
2010	12/31/2013	6/1/2010	3.59	<b>1.0862</b>
2011	12/31/2013	6/1/2011	2.59	<b>1.0615</b>
2012	12/31/2013	6/1/2012	1.58	<b>1.0372</b>
2013	12/31/2013	6/1/2013	0.58	<b>1.0136</b>

Historical Premium Trend		R Squared
9 Year	1.92%	0.95
6 Year	2.33%	0.93
3 Year	2.96%	0.79

(3) Selected Historical Trend: **2.33%**

**Trended AOI Factor**

	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Year	X	Y (Avg Index)	X^2	XY	A= Average(Y)	B= Nsum(XY)/ Nsum(X^2)	Fitted Average Relativity		Latest Annual Trend
2009	-2	1.132	4	-2.3					
2010	-1	1.174	1	-1.2					
2011	0	1.191	0	0.0					
2012	1	1.195	1	1.2					
2013	2	1.264	4	2.5					
Total	0	6.0	10	0.3	1.2	0.028	1.2	1.2	0.97%

- (12) Evaluation Date: 3/31/2014  
(13) Effective Date: 10/01/2014  
(14) Midpoint of Loss Date: 10/01/2015  
(15) Projection Period: 1.504 years  
(16) **Trend AOI Factor:** 1.015



**Cameron Mutual Insurance Company**  
**AOI Trend**  
**Standard Homeowners**  
**Arkansas**

Exhibit 4  
 Sheet 3  
 6/27/2014

**Current AOI Factors**

	(1) AOI	(2) Natural Log Of AOI Relativities
2000	1.066	0.0643
2001	1.083	0.0799
2002	1.115	0.1090
2003	1.156	0.1447
2004	1.205	0.1863
2005	1.279	0.2459
2006	1.345	0.2964
2007	1.477	0.3898
2008	1.523	0.4208
2009	1.562	0.4459
2010	1.615	0.4795
2011	1.622	0.4838
2012	1.655	0.5035
2013	1.719	0.5415

	Evaluation Date	Midpoint of Experience	Historical Time Period	Historical Trend Factors
2007	12/31/2013	6/1/2007	6.59	<b>1.1767</b>
2008	12/31/2013	6/1/2008	5.59	<b>1.1479</b>
2009	12/31/2013	6/1/2009	4.59	<b>1.1199</b>
2010	12/31/2013	6/1/2010	3.59	<b>1.0926</b>
2011	12/31/2013	6/1/2011	2.59	<b>1.0659</b>
2012	12/31/2013	6/1/2012	1.58	<b>1.0399</b>
2013	12/31/2013	6/1/2013	0.58	<b>1.0145</b>

Historical Premium Trend	R Squared
9 Year	3.42%
6 Year	2.23%
3 Year	2.88%

(3) Selected Historical Trend: **2.50%**

**Trended AOI Factor**

	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Year	X	Y (Avg Index)	X^2	XY	A= Average(Y)	B= Nsum(XY)/ Nsum(X^2)	Fitted Average Relativity 2012	2013	Latest Annual Trend
2009	-2	1.562	4	-3.1					
2010	-1	1.615	1	-1.6					
2011	0	1.622	0	0.0					
2012	1	1.655	1	1.7					
2013	2	1.719	4	3.4					
Total	0	8.173	10	0.35	1.635	0.035	1.670	1.705	0.88%

- (13) Evaluation Date: 3/31/2014  
 (14) Effective Date: 10/01/2014  
 (15) Midpoint of an Loss Date: 10/01/2015  
 (16) Projection Period: 1.504 years  
 (17) **Trend AOI Factor:** 1.013

**Cameron Mutual Insurance Company**  
**AOI Trend**  
**Preferred Homeowners**  
**Arkansas**

Exhibit 4  
Sheet 4  
6/27/2014

**Current AOI Factors**

	(1)	(2)
	AOI	Natural Log Of AOI
Year	Index	Relativities
2000	1.512	0.4132
2001	1.512	0.4132
2002	1.569	0.4507
2003	1.626	0.4862
2004	1.696	0.5282
2005	1.806	0.5910
2006	1.953	0.6693
2007	2.044	0.7147
2008	2.258	0.8146
2009	2.335	0.8479
2010	2.412	0.8806
2011	2.538	0.9315
2012	2.530	0.9281
2013	2.549	0.9356

	Evaluation Date	Midpoint of Experience	Historical Time Period	Historical Trend Factors
2007	12/31/2013	6/1/2007	6.59	<b>1.1813</b>
2008	12/31/2013	6/1/2008	5.59	<b>1.1517</b>
2009	12/31/2013	6/1/2009	4.59	<b>1.1230</b>
2010	12/31/2013	6/1/2010	3.59	<b>1.0949</b>
2011	12/31/2013	6/1/2011	2.59	<b>1.0676</b>
2012	12/31/2013	6/1/2012	1.58	<b>1.0409</b>
2013	12/31/2013	6/1/2013	0.58	<b>1.0149</b>

Historical Premium Trend	R Squared
9 Year	4.42% 0.92
6 Year	2.56% 0.90
3 Year	0.21% 0.31

(3) Selected Historical Trend: **2.56%**

**Trended AOI Factor**

	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	X	Y (Avg Index)	X^2	XY	A= Average(Y)	B= Nsum(XY)/ Nsum(X^2)	Fitted Average Relativity 2012	2013	Latest Annual Trend
2009	-2	2.335	4	-4.7					
2010	-1	2.412	1	-2.4					
2011	0	2.538	0	0.0					
2012	1	2.530	1	2.5					
2013	2	2.549	4	5.1					
Total	0	12.4	10	0.5	2.5	0.055	2.5	2.6	0.90%

- (13) Evaluation Date 3/31/2014  
(14) Effective Dffective Date: 10/01/2014  
(15) Midpoint ofin Loss Date: 10/01/2015  
(16) Projection lction Period: 1.504 years  
(17) **Trend AOI Factor:** 1.014

Exhibit 5  
Sheet 1  
06/27/14

6.85%

### Claim Severity

X-value	Arkansas	Missouri	Iowa	Arkansas	Missouri	Iowa
0.25	-2.6802	-3.0737	-3.2478	8.9869	9.1120	8.8767
0.50	-2.6709	-2.9114	-3.1920	8.9929	9.1341	8.8168
0.75	-2.6722	-2.9878	-3.0992	9.0253	9.0809	8.7752
1.00	-2.7526	-3.0662	-3.0198	9.0198	9.0627	8.7886
1.25	-2.7678	-3.0726	-2.9613	9.0230	9.0955	8.8332
1.50	-2.7686	-3.1583	-3.0156	9.0652	9.0963	8.8878
1.75	-2.6934	-3.1536	-3.0701	8.9999	9.1846	8.9180
2.00	-2.6421	-3.1190	-3.1571	9.0123	9.2373	8.9783
2.25	-2.6613	-3.1213	-3.2159	9.0506	9.2239	8.9692
2.50	-2.7120	-3.0813	-3.2477	9.0475	9.2258	8.9601
2.75	-2.8324	-3.0922	-3.2904	9.0907	9.1617	8.9663
3.00	-2.8957	-3.1168	-3.3933	9.1029	9.1910	8.9755
3.25	-2.8954	-3.1304	-3.4304	9.0742	9.2057	8.9923
3.50	-2.8111	-3.1536	-3.4425	9.0124	9.2158	9.0136
3.75	-2.8068	-3.1583	-3.3149	9.0125	9.1956	8.9839
4.00	-2.8509	-3.1869	-3.3353	9.0253	9.2030	8.8874
4.25	-2.8789	-3.1606	-3.3035	9.0166	9.1911	8.9821

17 points	-5.09%	-3.95%	-8.23%	0.87%	3.17%	4.60%
16 points	-5.27%	-4.45%	-10.16%	0.58%	3.27%	5.11%
12 points	-7.20%	-1.31%	-11.81%	-0.56%	1.18%	1.59%
8 points	-4.33%	-5.60%	-1.87%	-4.17%	-0.06%	-0.90%
Selected Historical	-4.33%			0.87%		Industry Trend Factor -3.50%
Selected Projection	-2.00%			0.00%		-2.00%

R-Squared						
17 points	0.54	0.52	0.49	0.11	0.50	0.57
16 points	0.52	0.55	0.63	0.05	0.47	0.60
12 points	0.51	0.14	0.63	0.02	0.08	0.13
8 points	0.19	0.89	0.03	0.48	0.00	0.02

	Evaluation Date	Midpoint of Experience	Historical Time Period	Historical Trend Factor
2007	3/31/2014	6/1/2007	6.836	0.783707546
2008	3/31/2014	6/1/2008	5.833	0.812239472
2009	3/31/2014	6/1/2009	4.833	0.84172011
2010	3/31/2014	6/1/2010	3.833	0.872270761
2011	3/31/2014	6/1/2011	2.833	0.903930264
2012	3/31/2014	6/1/2012	1.830	0.936839061
2013	3/31/2014	6/1/2013	0.830	0.970842102

Evaluation Date	3/31/2014
Effective Date	10/1/2014
Midpoint of Experience	10/1/2015
Projection Period	1.50410959
Selected Trend	-2.00%
Prospective Trend	-2.99%

**Cameron Mutual Insurance Company**  
**Calculation of Wind/Hail Load**  
**Mobile Homes**  
**Arkansas**

Exhibit 6  
Sheet 1  
06/27/14

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Year	Earned Premium	Wind/Hail Losses	Wind/Hail Loss Ratio	Normal Wind/Hail Loss Ratio	Difference	Load	Adjusted Wind/Hail Loss Ratio
2002	32,048.45	721.70	2.25%	16.21%	-13.96%	-4,474.33	31.65%
2003	34,891.63	21,586.83	61.87%	25.44%	36.43%	12,709.33	40.88%
2004	38,153.49	10,592.90	27.76%	25.44%	2.32%	885.48	40.88%
2005	42,744.55	-	0.00%	16.21%	-16.21%	-6,930.19	31.65%
2006	49,089.93	12,316.14	25.09%	25.09%	0.00%	0.00	40.53%
2007	61,722.37	-	0.00%	16.21%	-16.21%	-10,007.07	31.65%
2008	71,737.86	126,594.00	176.47%	25.44%	151.02%	108,341.69	40.88%
2009	75,891.35	12,919.29	17.02%	17.02%	0.00%	0.00	32.46%
2010	65,988.75	11,074.43	16.78%	16.78%	0.00%	0.00	32.22%
2011	63,336.00	16,496.53	26.05%	25.44%	0.60%	381.91	40.88%
2012	57,078.00	9,240.43	16.19%	16.21%	-0.02%	-13.65	31.65%
2013	60,805.00	9,866.88	16.23%	16.23%	0.00%	0.00	31.67%
<b>Total</b>	<b>653,487.38</b>	<b>231,409.13</b>	<b>35.41%</b>	<b>19.97%</b>		<b>100,893.16</b>	<b>35.41%</b>

Calculation of Normal Range

33rd Percentile	16.21%
67th Percentile	25.44%

Calculation of Wind Load

$$\text{Load} = 100,893.16 / 653,487.38 = 15.44\%$$

**Cameron Mutual Insurance Company**  
**Calculation of Wind/Hail Load**  
**Home Security**  
**Arkansas**

Exhibit 6  
Sheet 2  
06/27/14

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Year	Earned Premium	Wind/Hail Losses	Wind/Hail Loss Ratio	Normal Wind/Hail Loss Ratio	Difference	Load	Adjusted Wind/Hail Loss Ratio
2002	22,999.98	1,007.35	4.38%	7.84%	-3.46%	-796.63	27.22%
2003	32,554.47	-	0.00%	7.84%	-7.84%	-2,553.37	27.22%
2004	37,676.03	7,633.36	20.26%	19.78%	0.48%	179.98	39.16%
2005	36,005.06	1,567.45	4.35%	7.84%	-3.49%	-1,256.57	27.22%
2006	37,998.38	4,974.60	13.09%	13.09%	0.00%	0.00	32.47%
2007	46,837.76	3,861.54	8.24%	8.24%	0.00%	0.00	27.62%
2008	56,055.50	82,399.07	147.00%	19.78%	127.21%	71,309.71	39.16%
2009	63,638.88	45,242.73	71.09%	19.78%	51.31%	32,653.16	39.16%
2010	59,737.39	9,638.97	16.14%	16.14%	0.00%	0.00	35.51%
2011	52,918.00	16,607.07	31.38%	19.78%	11.60%	6,138.40	39.16%
2012	47,154.00	9,196.10	19.50%	19.50%	0.00%	0.00	38.88%
2013	50,009.00	3,580.85	7.16%	7.84%	-0.68%	-341.55	27.22%
<b>Total</b>	<b>543,584.45</b>	<b>185,709.09</b>	<b>34.16%</b>	<b>14.79%</b>		<b>105,333.13</b>	<b>34.16%</b>

Calculation of Normal Range

33rd Percentile	7.84%
67th Percentile	19.78%

Calculation of Wind Load

$$\text{Load} = 105,333.13 / 543,584.45 = 19.38\%$$

**Cameron Mutual Insurance Company**  
**Calculation of Wind/Hail Load**  
**Standard Homeowners**  
**Arkansas**

Exhibit 6  
Sheet 3  
06/27/14

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Year	Earned Premium	Wind/Hail Losses	Wind/Hail Loss Ratio	Normal Wind/Hail Loss Ratio	Difference	Load	Adjusted Wind/Hail Loss Ratio
2002	878,287.24	150,072.94	17.09%	17.09%	0.00%	0.00	43.47%
2003	943,821.40	147,659.32	15.64%	15.64%	0.00%	0.00	42.02%
2004	1,079,899.29	195,350.16	18.09%	18.09%	0.00%	0.00	44.47%
2005	1,134,210.86	104,828.07	9.24%	10.60%	-1.36%	-15,400.37	36.98%
2006	1,208,815.31	667,973.95	55.26%	31.84%	23.42%	283,061.09	58.22%
2007	1,357,240.12	95,006.20	7.00%	10.60%	-3.60%	-48,863.75	36.98%
2008	1,465,899.08	2,052,933.23	140.05%	31.84%	108.20%	1,586,159.35	58.22%
2009	1,434,760.89	2,014,489.43	140.41%	31.84%	108.56%	1,557,630.62	58.22%
2010	1,273,246.06	115,580.32	9.08%	10.60%	-1.52%	-19,386.11	36.98%
2011	1,086,267.00	642,759.51	59.17%	31.84%	27.33%	296,868.67	58.22%
2012	941,190.00	107,273.31	11.40%	11.40%	0.00%	0.00	37.78%
2013	940,064.00	85,072.02	9.05%	10.60%	-1.55%	-14,576.50	36.98%
<b>Total</b>	<b>13,743,701.25</b>	<b>6,378,998.46</b>	<b>46.41%</b>	<b>20.03%</b>		<b>3,625,493.00</b>	<b>46.41%</b>

Calculation of Normal Range

33rd Percentile	10.60%
67th Percentile	31.84%

Calculation of Wind Load

$$\text{Load} = \frac{3,625,493.00}{13,743,701.25} = 26.38\%$$

**Cameron Mutual Insurance Company  
Calculation of Wind/Hail Load  
Preferred Homeowners  
Arkansas**

Exhibit 6  
Sheet 4  
06/27/14

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Year	Earned Premium	Wind/Hail Losses	Wind/Hail Loss Ratio	Normal Wind/Hail Loss Ratio	Difference	Load	Adjusted Wind/Hail Loss Ratio
2002	955,946.81	129,308.25	13.53%	13.53%	0.00%	0.00	32.97%
2003	1,005,606.78	228,638.55	22.74%	22.74%	0.00%	0.00	42.18%
2004	1,079,033.51	148,524.63	13.76%	13.76%	0.00%	0.00	33.21%
2005	1,172,303.83	141,393.57	12.06%	13.37%	-1.31%	-15,322.58	32.81%
2006	1,324,219.51	1,046,984.39	79.06%	25.79%	53.27%	705,443.71	45.24%
2007	1,499,618.18	131,324.78	8.76%	13.37%	-4.61%	-69,147.47	32.81%
2008	1,526,408.43	1,891,397.60	123.91%	25.79%	98.12%	1,497,708.67	45.24%
2009	1,424,396.22	946,903.87	66.48%	25.79%	40.69%	579,525.77	45.24%
2010	1,180,797.21	202,356.93	17.14%	17.14%	0.00%	0.00	36.58%
2011	1,002,345.00	310,670.87	30.99%	25.79%	5.20%	52,147.58	45.24%
2012	831,134.00	108,864.76	13.10%	13.37%	-0.27%	-2,243.06	32.81%
2013	772,214.00	33,453.41	4.33%	13.37%	-9.04%	-69,777.85	32.81%
<b>Total</b>	<b>13,774,023.48</b>	<b>5,319,821.61</b>	<b>38.62%</b>	<b>19.18%</b>	19.44%	<b>2,678,334.76</b>	<b>38.62%</b>

Calculation of Normal Range

33rd Percentile	13.37%
67th Percentile	25.79%

Calculation of Wind Load

$$\text{Load} = 2,678,334.76 / 13,774,023.48 = 19.44\%$$

**Cameron Mutual Insurance Company**  
**Homeowners Loss Adjustment Expense**  
Direct and Assumed

Exhibit 7  
Sheet 1  
06/27/14

Acc Year	Loss Payments (4)	DCC Payments (6)	A&O Payments (8)	Salvage & Subro (10)	Losses Unpaid Case (13)	Losses Unpaid Bulk & IBNR (15)	DCC Unpaid Bulk & IBNR (19)	A&O Unpaid (21)	Total Less S&S	Total w S&S
2004	11,053	36	1,069	67	29	-	3	-	12,190	12,123
2005	8,789	98	981	79	-	-	-	-	9,868	9,789
2006	23,716	64	1,976	73	1	29	2	-	25,788	25,715
2007	14,001	169	1,204	65	66	34	8	5	15,487	15,422
2008	23,234	111	1,839	23	10	83	7	5	25,289	25,266
2009	19,671	223	1,583	468	226	94	27	11	21,835	21,367
2010	12,387	95	1,184	73	50	104	11	11	13,842	13,769
2011	17,033	35	1,359	47	12	99	8	-	18,546	18,499
2012	8,867	20	735	5	97	218	19	43	9,999	9,994
2013	5,528	9	651	8	1,583	845	55	407	9,078	9,070
	144,279	860	12,581	908	2,074	1,506	140	482	161,922	161,014

Acc Year	Losses Incurred w S&S	DCC and A&O Incurred	Percent of DCC, A&O to Losses	Factor
2004	11,015	1,108	10.1%	1.101
2005	8,710	1,079	12.4%	1.124
2006	23,673	2,042	8.6%	1.086
2007	14,036	1,386	9.9%	1.099
2008	23,304	1,962	8.4%	1.084
2009	19,523	1,844	9.4%	1.094
2010	12,468	1,301	10.4%	1.104
2011	17,097	1,402	8.2%	1.082
2012	9,177	817	8.9%	1.089
2013	7,948	1,122	14.1%	1.141
	146,951	14,063	9.6%	1.096



**Cameron Mutual Insurance Company**  
**Expense Selection and Calculation of Permissible Loss Ratio**  
**Homeowners**

Exhibit 8  
 Sheet 1  
 06/27/14

Expense Category	Bodily Injury
(1) Commission & Brokerage	16.2%
(2) Other Acquisition	7.4%
(3) General Expenses	9.1%
(4) Taxes, Licenses & Fees	1.9%
(5) <u>Underwriting Profit Margin</u>	<u>3.6%</u>
(6) Total	38.2%
(7) Permissible Loss Ratio	61.8%
Expense Ratio	34.6%

## Exhibit 1, Sheet2 Explained

Column	Explanation
1 .....	Exhibit 2, Sheet 1, Column (1)
2 .....	Exhibit 3, Sheets 1-4
3 .....	Exhibit 4, Sheets 1-4
4 .....	Exhibit 4, Sheets 1-4, Row (16)
5 .....	$(1)*(2)*(3)*(4)$
6 .....	Exhibit 2, Sheet 1, Column (2)
7 .....	Exhibit 2, Sheet 1, Column (6)
8 .....	Exhibit 2, Sheet 1, Column (7)
9 .....	Exhibit 7, Sheet 1
10 .....	Exhibit 5, Sheet 1
11 .....	Exhibit 5, Sheet 1
12 .....	$(7)*(8)*(9)*(10)*(11)$
13 .....	$(12)/(5)$
14 .....	Exhibit 8, Sheet 1, Row (7)
15 .....	$(13)/(14)-1$